# inspiring citizenship



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## inspiring **HERO**s

In 2014, we launched a program to recognize and honor employees who are nominated by their managers and colleagues for demonstrating unwavering dedication to their communities and creating a lasting community impact through volunteering in different ways. We are thrilled to share the stories of our seven HERO Stars who were selected in 2014-2015 by a judging panel of Caesars management. Look for Inspiring HERO stories throughout this report.

# Corporate Citizenship inspires us.

# We hope that it inspires you.

This is our sixth annual Corporate Citizenship Report and it describes our impacts on society and the environment.

It outlines the way our business activities in 2014-2015 inspired citizenship, delivering economic and social benefits for employees, guests and communities while advancing environmental stewardship.

## Welcome from Mark Frissora

It is my pleasure to share with you Caesars Entertainment's sixth annual Citizenship Report. Having joined Caesars as President and CEO earlier this year, I am proud of the company's track record in citizenship and sustainability. We are serious about our responsibility to be an engaged corporate citizen in our communities and around the world. This is critically important to me, and I am committed to building on the strong foundation of citizenship in place at Caesars.

**ABOUT** 



- We continue to drive our CodeGreen sustainability strategy throughout our operations, delivering record achievements in environmental efficiencies. Since 2007, we have reduced energy use per 1,000 sq.ft. by 21% and corresponding greenhouse gas emissions by 23%. We have reduced water use per 1,000 sq.ft. by 17% since 2008, and in 2014 we diverted a record 44% of all waste from landfill.
- Across the company, we have invested more than 3.5 million hours in training our colleagues to improve their personal and professional capabilities and have offered additional incentives in our health and wellness program, which has significantly reduced health risks across our employee population and their families.
- We maintain a strong emphasis on diversity with 41% of management roles filled by women and 57% of all employees representing minority groups. As a diversity-oriented company, we received a perfect score for the Human Right Campaign Corporate Equity Index for the 8th vear in a row.
- In 2014, Caesars continued to make positive contributions to help revitalize communities, drive tourism and boost the economies in the towns and cities where we operate. Caesars generates \$5.9 million of contributed value for its communities for every \$10 million in revenue, triple the estimated average of U.S. corporations. This includes, in 2014, our direct payments of \$2.4 billion to employees in wages and benefits, \$1.3 billion in federal and state taxes and \$75 million in community giving, including almost 200,000 hours of employee volunteering time.

I encourage you to review the full report to learn more about our efforts and the impact they have on the communities in which we are



privileged to operate. We are energized by the positive contributions our company can make through our citizenship activities.

In addition to our focus on employees and communities, Caesars Entertainment continues to find innovative new ways to do what we do best: create memorable entertainment experiences for our guests. In 2014, we set a new standard for the Las Vegas skyline with the opening of the High Roller - the Guinness World record holder for

the world's tallest observation wheel. As part of an investment totaling more than \$1 billion, the High Roller combined with The LINQ Promenade, The LINQ Hotel & Casino, and the newly opened Cromwell Hotel & Casino bring new life to the heart of Las Vegas, adding economic and social value for both guests and the local community. New developments such as the opening of the Horseshoe Casino Baltimore and the renovation of Harrah's Gulf Coast showcased our efforts to balance our offerings among gaming, dining and entertainment, providing fresh experiences and unique options for new audiences.

As we publish this report in late 2015, I am optimistic about the future of Caesars Entertainment. Already this year, we have opened the Waterfront Conference Center at Harrah's Resort Atlantic City, making it the largest conference-hotel complex in the Northeast. We have further expanded our offerings in Las Vegas with the opening of OMNIA Nightclub at Caesars Palace and through the addition of new headliner entertainers to our family, including Mariah Carey and Jennifer Lopez.

In the years ahead, Caesars Entertainment will continue to invest in the amenities that inspire our guests to play, while remaining true to the legacy of industry-leading corporate citizenship that has defined our company for so many years. We are constantly striving to improve our performance across a wide array of metrics, and our citizenship contribution will continue to evolve and improve. I know I speak for all of my colleagues when I reaffirm our commitment to our communities, to operating sustainably, and to continue to strive to be an extraordinary corporate citizen. I am encouraged by the enthusiasm shown by my colleagues and our guests, and look forward to advancing our work in this area.

Sincerely

Mark Frissora

President and Chief Executive Officer

## **About Caesars Entertainment**

**ABOUT** 

Caesars Entertainment Corporation (CEC) is the world's most diversified casino-entertainment provider and the most geographically diverse U.S. casino-entertainment company. CEC is mainly comprised of the following three entities: the majority owned operating subsidiary Caesars Entertainment Operating Company (which was deconsolidated effective January 15, 2015 due to its bankruptcy filing), wholly owned Caesars Entertainment Resort Properties and Caesars Growth Properties, in which we hold a variable economic interest. Since its beginning in Reno, Nevada, 77 years ago, CEC has grown through development of new resorts, expansions and acquisitions and its portfolio of subsidiaries now operate 49 casinos in 14 U.S. states and five

countries. The Company's resorts operate primarily under the Caesars®, Harrah's® and Horseshoe® brand names. CEC's portfolio also includes Caesars Entertainment LIK

CEC is focused on building loyalty and value with its guests through a unique combination of great service, excellent products, unsurpassed distribution, operational excellence and technology leadership. The Company is committed to environmental sustainability and energy conservation and recognizes the importance of being a responsible corporate citizen and steward of the environment. For more information, please visit www.caesars.com.



## **Our commitment**

Our Mission, Vision and Values express our shared aspirations and guide us in all that we do. Our Mission defines our core purpose as an entertainment and hospitality company and our Vision points us in the right direction to deliver the mission. Together with our Code of Commitment, our core Values are the foundation of who we are in all our interactions.

**ABOUT** 

## **OUR MISSION:**

We inspire grown-ups to play.

### **OUR VISION:**

Create memorable experiences, personalize rewards and delight every guest, every team member, every time.

### **OUR VALUES:**

### **INTEGRITY**

Do what's right, no matter what.

## **SERVICE WITH PASSION**

Take pride in everything you do.

#### **CELEBRATING SUCCESS**

Work hard and celebrate successes both large and small.

### **DIVERSITY**

Embrace what makes us unique to inspire innovation and win together.

#### **CARING CULTURE**

Create a caring culture so every team member can have fun and be at his or her personal and professional best.

#### RIGOR

Find lessons in every outcome to drive extraordinary experiences.



We introduced the Caesars Code of Commitment in 2000 and led the gaming industry in making a public pledge to our employees, guests and communities that we will honor the trust they have placed in us by conducting ourselves with integrity and with concern for our stakeholders. That leadership continues to inspire us and our Code of Commitment is as relevant today as it was more than a decade ago. The Caesars Code of Commitment governs the conduct of our business and we use our Code of Commitment continuously in internal communications to employees, we make it available online, and widely distribute and display it in all our venues for our guests and all who visit. All new employee orientation programs encourage a clear understanding of our Code of Commitment. New hires sign their intention to comply with the Code of Commitment when joining the company. In our annual Employee Opinion Survey (EOS), which typically achieves a response rate of over 85%, we ask our employees for feedback about our company, and some of the most positive responses of employees regularly relate to the Caesars Code of Commitment.

#### The four pillars of our Code of Commitment

- **EMPLOYEES:** A commitment to all our employees to treat them with respect and provide satisfying career opportunities.
- **GUESTS:** A commitment to all our guests to promote responsible gaming.
- **COMMUNITIES**: A commitment to all our communities to help make them healthy and vibrant places to live and work.
- **ENVIRONMENT:** A commitment to responsible stewardship of the environment.

## Corporate citizenship highlights

**ABOUT** 

### **OUR PEOPLE**

75%

of employees believe our mission, vision and values create positive change in the workplace

women in management in the U.S.

57%

employees from minority groups in the U.S.

3,549,841

hours invested in employee training and development

\$559,940

reimbursed to employees for education and tuition

new employees hired in the U.S.

>1,000

veterans hired through our Hiring Heros initiative in the last two years

100%

perfect score in **Human Rights Campaign Corporate Equality Index for the** 

consecutive year

**OUR GUESTS AND COMMUNITIES** 

53,825

employees trained in **Responsible Gaming** 

56th

truck donated to Meals on Wheels through Caesars Foundation

\$74.53 million

total community giving

199,127

employee hours volunteered in the community

\$12 million

raised for ONE DROP through our World Series of Poker since 2010

1,685,907

bars of soap distributed through Clean the World from our donations since 2010. (Almost 500,000 lbs of soap and bottled amenities)

properties Green Key Eco-Rated

Civic 50 in consumer discretionary category **OUR PLANET** 

energy reduction per air-conditioned 1,000 sq.ft. since 2007

23%

greenhouse gas emissions reduction per air-conditioned 1,000 sq.ft. since 2007

water use reduction per air-conditioned 1,000 sq.ft. since 2008

44%

of all waste diverted away from landfills in 2014

48

electric vehicle charging stations for guests at our properties

S100.000

value of rewards to employees for going green at home since 2010

properties participated in our annual CodeGreen challenge for the environment

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## **Corporate citizenship scoreboard**

RESPONSIBLE GAMING			2011	2012	2013	2014
Total employees trained in Responsible Gaming			33,345	35,361	43,286	53,825
Total hours spent in Responsible Gaming training			50,017	30,906	27,100	26,912
A GREAT PLACE TO WORK			2011	2012	2013	2014
Women in management			40%	42%	41%	41%
Employees in minority groups			-	56%	56%	57%
Human Rights Campaign Corporate Equality Index			100%	100%	100%	100%
Employee training total hours			3,152,893	3,649,256	3,578,484	3,549,841
New hires			7,025	9,358	12,102	11,410
Turnover rate	Turnover rate			18.37%	17.96%	21.49%
Injury rate per 100 employees			3.26	3.10	2.86	2.24
Injury severity rate per 100 employees			0.84	0.73	0.63	0.55
ENVIRONMENTAL PERFORMANCE	Short Term Target	Long Term Target	2011	2012	2013	2014
Energy conservation: (2007 baseline, cumulative): Reduce energy consumption (fossil fuel based) per air-conditioned 1,000 sq. ft.	30% reduction by 2020	40% reduction by 2025	-18.11%	-20.89%	-19.95%	-21.35%
Greenhouse gas emissions: (2007 baseline, cumulative): Reduce greenhouse gas emissions per air-conditioned 1,000 sq. ft.	30% reduction by 2020	40% reduction by 2025	-20.47%	-22.66%	-22.34%	-22.57%
<b>Water consumption:</b> (2008 baseline, cumulative): Reduce water use per air-conditioned 1,000 sq. ft.	20% reduction by 2020	25% reduction by 2025	-15.09%	-15.28%	-18.54%	-16.64%
Waste diversion: (2007 baseline, cumulative): Divert waste from landfill	50% reduction in 2020	60% reduction in 2025	N/A	23.57%	35.26%	44.28%
Real estate: Achieve LEED certification for all newly-built and expanded properties owned by Caesars.	100%		Achieved	Achieved	Achieved	Achieved
<b>Green Key Certification:</b> Certification for all hotel properties globally	100% by end 2013		On track	Achieved	Achieved	Achieved
COMMUNITY INVESTMENT PERFORMANCE		2011	2012	2013	2014	
Total giving: (including Caesars Foundation, corporate, mandated and discretionary giving and value of employee volunteering hours) (\$ million)	N/A		86.9	78.7	76.76	74.53
Volunteering in our communities: (hours volunteered)	10% increase per year		148,080	133,044	164,451	199,127

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## Our most important citizenship opportunities

In 2012, we undertook a comprehensive process to define our priority citizenship issues. The process included identifying a wide range of citizenship topics that are relevant to our business and of interest to our stakeholders, and prioritizing the list following consultation with internal and external stakeholders. The resulting list of ten priority issues reflects the most significant impacts of our business and the greatest degree of importance to stakeholders. It helps us advance our citizenship strategies, and determine action plans and allocation of resources.

This year, we continue to work with this framework of priority issues with our Environment, Social and Governance (ESG) Council and internal teams. We did not conduct a new materiality analysis, as our ongoing interactions with employees, customers, suppliers, regulators and other stakeholders throughout the year continue to confirm that these ten issues remain of priority importance to them. Our top ten priority sustainability issues are:

# COMMITMENT TO GUESTS

Creating memorable guest experiences
Responsible Gaming

# COMMITMENT TO EMPLOYEES

A great place to work
Diversity and inclusion
Health and wellness

# COMMITMENT TO ENVIRONMENTAL STEWARDSHIP

Reducing energy consumption Minimizing carbon emissions

# COMMUNITIES

Responsible Conduct
Positive economic contribution
Supporting local communities

**Note:** Please see our G4 Content Index at the end of this report for the alignment of our ten priority citizenship issues with G4 Material Aspects and related disclosures.

## INSIGHTS

From our stakeholders

#### MAYOR CAROLYN G. GOODMAN.

**ABOUT** 

City of Las Vegas

"Las Vegas is America's most dynamic, entertaining, and intriguing city which is why 41 million people a year come here for the time of their lives. Las Vegas continues to capture the world's imagination as the city where anything is possible. With world-class hotels and casinos, award-winning restaurants, luxurious spas, fantastic shopping, the finest golf courses and spectacular entertainment, Las Vegas remains one of the most electrifying destinations in the world.

At its heart, Las Vegas is all about making sure our visitors are well taken care of, treated courteously and shown a great time. However, beyond the neon of the fabulous Strip there is another Las Vegas, one in which we are building a world-class city featuring the best in arts, culture, sporting opportunities and establishing comprehensive quality medical care. As Mayor of Las Vegas, I am committed to creating this world-class city, and I know that Caesars Entertainment shares that goal. We are building something special in Las Vegas that meets the needs of the present and is also sustainable for future generations. With the community working together we will hit the target."

**DANIEL C. ESTY**, Hillhouse Professor of Environmental Law and Policy, Yale University and author, Green to Gold

"There is a growing recognition that companies need to take their citizenship and sustainability agendas seriously and pursue them in a thoughtful, strategic and systematic way. One of the big points of evolution over the last decade has been a move toward sharper focus and a real attempt to address issues through a lens of materiality. This provides a promise of greater value to the citizenship efforts that companies are undertaking.

In general, for an entertainment company, I think there is a real need to look beyond the four corners of the facilities themselves and think about the entire value chain. This involves understanding the sustainability efforts of suppliers and also recognizing that a significant part of a company's footprint may be, for example, in the transportation involved in getting guests to and from the hotels and casinos.

Also, companies need to be more quantitative. Increasingly, nice narratives are not enough and companies need to establish measurable goals, targets and metrics and report on progress.

Caesars has demonstrated a capacity to do this with strong leadership of citizenship and **sustainability efforts.** The next thing for Caesars will be to understand the value chain impacts of its activities. I believe Caesars should look beyond the idea of a footprint and consider its handprint, that is, what Caesars can do to reduce the impacts of its suppliers and customers."



# inspiring

# a positive contribution to society



As Executive Vice President of Communications, Government Relations and Corporate Responsibility, Jan Jones Blackhurst believes in inspiring corporate citizenship and its positive impact on our society.

ABOUT

contribution wherever we are

through the prosperity that our

vibrant casino-entertainment venues

and resorts bring to communities.

Our contribution is also reflected in

our active partnerships with local and

diverse businesses, that encourage

economic development, and through

the public stand we take on social and

environmental issues that affect those

we are privileged to serve.

## **Supporting local prosperity**

**ABOUT** 

Wherever we are at Caesars, we make it happen. We inspire guests to play and we do much more than this. We embrace the needs and opportunities of each community and use our wealth of passion, talent and resources to make life better – economically, socially, environmentally. Making it happen inspires our guests and communities to have fun, and inspires our employees to help them do so!

At the same time, we make a valuable economic contribution to the communities we serve and to local and national economies. Of the economic value we generated in 2014, 40% was distributed to thousands of other businesses as payments for goods and services, 25% was paid to employees for their service and contribution in wages and benefits and close to 1% of our revenues went to support the communities we serve around the U.S. and in our international locations. 42% of our revenues were paid back into the economy as taxes or interest payments.

ECONOMIC VALUE GENERATED AND DISTRIBUTED	\$ million
Direct economic value generated (gross revenues, interest on assets and investments)	9,654
Economic Value Distributed	
Payments to employees in wages and benefits	2,454
Interest payments, net of interest capitalized	2,670
Payments to vendors for goods and services	3,880
Payments to governments in international, local, state and federal gross taxes	1,367
Expenditures as an investment in our community through mandated (licensed)	74.53
giving, corporate, property and the Caesars Foundation	14.33
Total economic value distributed	10,446

Caesars operates in a manner that results in \$5.9 million of contributed value to its communities for every \$10 million in revenue, three times the estimated average of U.S. corporations..

### SOCIETAL CONTRIBUTIONS PER \$10 MILLION IN REVENUE

Figures are based on Caesars' social monetization white paper published by Bea Boccalandro of VeraWorks.



\$81,000

Combined giving to nonprofit community groups \$1,596,000

Local, State and Federal Taxes

\$5,300

**Employee** Volunteering \$4,202,000

**Employee** Salaries and **Benefits** 

Avg. U.S. **Corporations**  \$13,000

Combined giving to nonprofit community groups \$207,000

Local, State and Federal Taxes

\$2,200

**Employee** Volunteering \$1,687,000

**Employee** Salaries and **Benefits** 

## Making it happen in Horseshoe Baltimore



**ABOUT** 





HORSESHOE BALTIMORE IN 2014

## \$42.33 million gaming tax revenue paid to the City of Baltimore

**45** local community organizations supported

## 2.2 million guest visits

**92** tons waste recycled

## **\$22.7 million** paid in Jackpots to guests

**880** employee volunteer hours

1,815 employees

**70%** minority employees

**66%** local Baltimore residents

**49%** female

Horseshoe Baltimore is a two-story casino with 122,000 square-feet of gaming space, including slots, table games, a World Series of Poker (WSOP) room, celebrity restaurants and live entertainment. Horseshoe Baltimore opened in August 2014.

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### From CHAD BARNHILL, General Manager, Horseshoe Baltimore

"We are on target to welcome over four million guest visits in our first year. That's an incredible number of people looking for a total entertainment experience at Horseshoe Baltimore. It's not just gaming. It's the possibility to dine in one of the finest celebrity restaurants in the State or enjoy live music and other entertainment. Our mission is to help revitalize the Baltimore downtown city area. In addition to our gaming tax revenues that support local development grants, we are creating new employment opportunities, multiple partnerships with local businesses and experiences that positively impact people's lives.

We are major sponsors of The Journey Home event, designed to end homelessness within ten years, and we host weekly senior lifestyle days at Horseshoe Baltimore to help open up opportunities for a better quality of life for

seniors. Also, we have a passion for the Ravens. We are four hundred feet from one of the Ravens stadium entrances. One of the biggest problems on game days is parking, so we proposed a special deal for season ticket holders. Ravens fans can now use our 3,300 space parking lot at reduced prices and enjoy additional benefits when they come to watch a game.

As with many of our venues at Caesars, we are committed to diversity and encouraging local people to start or continue their career with us.

We are proud that 66% of our team members are from Baltimore, and many of them are starting the first job of their career. We organized many hiring events to encourage diverse applications and posted job opportunities on the Mayor's website for five days ahead of going public to give locals an early opportunity to apply."

"With strong support from Horseshoe Baltimore's leadership, including funding for a designated recruitment coordinator, thousands of local residents have been encouraged to participate in a variety of activities to develop their skills, interview successfully, and present winning resumes to win employment at the Casino. I am pleased that the Horseshoe Casino has exceeded its local hiring commitment and provided more than 1,300 new jobs to Baltimore City residents."

- Stephanie C. Rawlings-Blake, Mayor of Baltimore





## inspiring **HERO**

**Trish Watkins** donates 200 hours every year to several causes including packing food at the local food bank and many fundraising events for other charities. She also assists the Juvenile Diabetes Research Foundation that funds Type 1 diabetes research.





**Trish Watkins,**Manager of Gaming
Floor Design, Corporate
Office

## Making it happen in Valley River

**ABOUT** 



Valley River is a new casino project in North Carolina, owned by the Eastern Band of the Cherokee Indians (EBCI) and managed by Caesars, becoming the second property we run in partnership with EBCI, alongside Harrah's Cherokee Casino Resort. The investment to create Valley River Casino is \$100 million.

60,000

sq.ft. gaming floor

\$150 million

annual gaming revenue expected

301

guest rooms in a 7-story hotel tower

>1,000

slot machines

900

jobs to be created on opening

\$39 million

new salaries and benefits expected

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From **BROOKS ROBINSON**, Senior Vice President and General Manager of Harrah's Cherokee

"Harrah's Cherokee has proven immensely successful for the Eastern Band - as we ended 2014, a total of more than \$3.3 billion had been injected back into the tribe's finances, ensuring ongoing quality of life and improvements in the standard of living for all the tribe members. In 2014, EBCI was able to build new clinics, a new hospital emergency unit, improve roads, and add educational facilities. Valley River builds on this success and aims to create another vibrant hub of economic value for the Eastern Band and its neighbors.

150 of Harrah's Cherokee's current employees will transfer to the new venue, providing new career opportunities while ensuring that Valley River starts out with the best chance of maintaining our standards, service quality and brand integrity.

Valley River is constructed on reservation land and is expected to generate around \$150 million in gaming revenue in first year and around \$39 million in new salaries and wages, as well as \$35 million in procurement and supply of goods and services. This value spreads to neighboring towns and cities and contributes to overall prosperity, reduced unemployment, new opportunities for small businesses and more. With Valley River, we will reach a team of close to 4,000 colleagues over our two properties. This makes us a very big employer in this region."

"The Eastern Band of Cherokee's new Harrah's Cherokee Valley River Casino expands economic opportunities for our tribe and for residents in western North Carolina. The people in the region, including tribal members, have historically been disadvantaged and now have a chance to work great jobs, expand small businesses and thrive economically because of the tribe's investment. Our tribe strives to become good business partners in the region which has been

our traditional homeland and to be good neighbors throughout the region."

-Principal Chief Michell Hicks, the Eastern Band of the Cherokee Indians

"It's remarkable to see the transformation of this Tribe over the past 15 years. The new facility will help provide jobs to an area riddled with unemployment. We will be providing employment; not just jobs, but careers that pay very well. This facility is going to continue to raise the bar, not just for western North Carolina, but for the gaming industry."

-Scott Barber, Regional President, Mid-South Operations



## Making it happen in Korea

**ABOUT** 



> 1.6 million square feet of development

**720** rooms and suites in 3 hotels

3,700 approximate direct jobs at opening

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From **STEVE TIGHT**, President of International Development

"Seoul is a great location - the number of Chinese tourists in Korea is growing, and the Chinese have developed a great connection to Korean culture in many different ways.

Changes in the law encouraged us to apply for a gaming license in a consortium with two very impressive partners, Lippo Group, an Indonesian property developer and its subsidiary, OUE International Holdings, a Singapore-listed real estate developer. We are honored to be the first international gaming company to be allowed to operate a foreigners-only casino in Korea, Asia's fourth largest economy, and we are working very closely with the government to ensure our development complies with all government requirements.

MIDAN City, where our project is located in Incheon, is being designed as an "All-in-One-City" with shopping malls, integrated resort hotels, an international healthcare center, a golf course, entertainment zone, and residential areas. Our resort will become a fabulous shopping, dining and entertainment venue for local residents, offering them a chance to

experience our kind of hospitality, even if the law prohibits them from entering the gaming section of our resort. Luxury retail, celebrity chefs and first-class convention facilities – our resort will be an attraction for many visitors that are not gaming-oriented.

As part of this visionary development, our resort is expected to generate massive growth opportunities through direct job creation, indirect job creation at service providers and suppliers and significant economic value for the surrounding businesses that gain a spin-off benefit when we do well, and fiscal benefits from tax revenues. We have seen this happen in many cities in the U.S. and we expect our presence to be a catalyst for vibrant economic and social development in Seoul. An added advantage of our resort is the way we train our employees. Caesars has legendary training and development programs for staff, and our Incheon Integrated Resort will become the premier training academy for a new local workforce, something the local government is eager to encourage."

"We are grateful to the Korean government for their initial approval, paving the way for the opportunity to build and operate our first integrated resort in Korea. We are excited about the opportunity to expand our network and brands to Asia. Foreign visitation to South Korea has grown significantly, and we look forward to creating a world-class destination to further support Korea's economic growth and tourism goals."

-Gary Loveman, Chairman, Caesars Entertainment



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## Positive contribution in our supply chain

Our overall expenditure with vendors for the supply of goods and services in 2014 was close to \$4 billion, and our network of suppliers includes thousands of vendors ranging from large corporations to small micro-businesses. We aim to make a positive social and environmental contribution both through the way we select and engage with small and minority-owned vendors and through increasing the environmental sustainability of products and services we procure.

#### Reaching out to diverse suppliers

Increasing the proportion of our operational expenditure with diverse suppliers is a core part of our citizenship strategy as well as being a requirement in some states where we have gaming licenses, especially in urban areas, as diverse enterprises are a very important element in local economic development. In addition, our experience is that diversity vendors often provide higher service at more competitive prices that some of our larger vendors, so we do better business as a result of our engagement with diverse suppliers. In 2014, our overall expenditure with MWDBE's (minority and women-owned or disadvantaged businesses enterprises) increased, reaching the highest level of MWDBE spend ever with more than 3,000 suppliers across the country.

We advance outreach to MWDBE's in many ways, including open invitations to attend round table meetings to hear about opportunities at Caesars, understand our procurement



requirements, speak with our senior management and network among themselves. We frequently attend diversity council meetings for supplier diversity organized by different organizations in different states. We support our suppliers in advancing their business skills, for example, we have sponsored vendors to attend the National Minority Supplier Development Council's Advanced Management Education Program at Northwestern University's Kellogg School of Management.

Similarly, we support our diverse suppliers through promoting them at regional supplier award programs so they can gain additional exposure and use Caesars Entertainment as a reference.

"In addition to the intensive outreach we undertake to ensure that diversity suppliers know of our interest and how to engage with us, we also go the extra mile to help MWDBE suppliers gain their first procurement contract with Caesars or increase their business with us. Recently, for example, we started a new formal mentoring program for diversity suppliers. Though this program, we offer assistance to diversity suppliers using the resources we have available in-house, such as helping the development of a business plan, improved positioning of the business when applying for loans, assistance with the technicalities of different certification programs and more. These are small ways that we can help but they are very significant for potential and current suppliers."

-Bridget Carter, Supplier Diversity Manager

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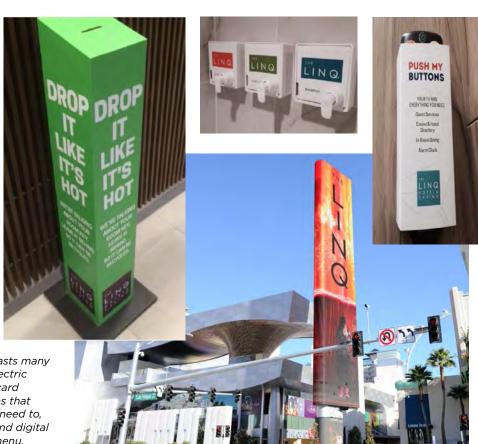
### Sourcing with sustainability in mind

Our commitment remains to drive environmental sustainability through our supply chain and this includes the way we contract with more than 13,000 vendors of goods and services. We are continuing our initiatives to create more sustainable sources of supply in the areas of seafood, gaming equipment (slot machines) and beverages – these three areas of our procurement spend present the highest risks and the greatest opportunities to improve our footprint based on a highly detailed analysis of our supply chain that we conducted last year. We continue to work in different ways with our suppliers in all these areas both to understand the impacts at each level of the supply chain and also to help drive changes that will yield environmental benefits.









"This year, we have been encouraging our suppliers to become more proactive in managing their climate change impacts and more transparent through the adoption of reporting to the Carbon Disclosure Project (CDP). CDP is the largest global collection of self-reported climate change data and by encouraging our suppliers to register with CDP and disclose their data, we help them become aware of the climate change risks and opportunities in their own supply chains. We have targeted our top suppliers representing 80% of our procurement spend, with a target of 50% participation in CDP in 2014. We exceeded this goal in 2014 and continue to work with a range of suppliers, supporting training webinars to assist them in managing the measurement and reporting process."

-Jessica Rosman, VP Procurement

## inspiring **HERO**

**Brid'Jette Whaley** founded Comfort Caps for Cancer (CCC), donating colored chemo caps to the Children's Specialty Center of Nevada and the American Cancer Society, bringing comfort to cancer patients of all ages coping with hair loss. Last year, Brid'Jette knitted more than 600 comfort caps.





**Brid'Jette Whaley**Table Games Supervisor,
Caesars Palace

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## Positive contribution to policy

We are known for the public stand we take on social and environmental issues that affect our guests, our employees and our communities. Our leaders are often in the public eye, or in the press, speaking out about issues that are close to our hearts. We participate in a range of other associations that help advance social causes, including the Business Roundtable (BRT), an association of chief executive officers of leading U.S. companies, which helps expand economic opportunity for Americans.

Some of the issues where we make our voice heard include:

LGBT rights	We support equality and equal rights for all LGBT persons. We have publicly supported legislation in favor of the LGBT community and protection of their rights, including same-sex marriage. We support members of the LGBT community in our public speaking and in our marketing communications.
Climate change	We take opportunities to reaffirm our public commitment to responsible environmental practices by corporations and we use our resources and efforts to drive change. We take part in initiatives led by the World Resources Institute (WRI) and the Association of Climate Change Officers (ACCO). We signed the Ceres Climate Change Declaration in 2014, confirming our support for a call to action in public policy to address climate change.
Immigration reform	We support comprehensive immigration reform that both advances border security as well as streamlines the immigration process for those who are willing to work hard and complete the legal process. We have spoken out in favor of immigration reform in public policy forums.
Healthcare	We are in favor of healthcare reform advanced by the Affordable Care Act and the lowering of healthcare costs for U.S. citizens.
Corporate transparency	We support SASB – the Sustainability Accounting Standards Board – and have participated in the development of a set of core issues relating to the services sector that should form part of corporate Form 10-K disclosures.
Human Trafficking	We strongly support the increasing international focus on eliminating human trafficking – which involves commercial sexual exploitation, forced labor and debt bondage - and is one of the most serious and disturbing violations of human rights. The UN Guiding Principle on Human Rights (Respect, Protect and Remedy Framework) and the Protocol to Prevent, Suppress and Punish Trafficking in Persons are among the leading international frameworks that we support.

## Our support for the equality ruling in 2015

In mid-2015, as we were finalizing this report, the U.S. Supreme Court published a breakthrough ruling to make same-sex marriage a fundamental right across the country. This is the validation of our long struggle to fight for the rights of U.S. citizens, millions of whom are our customers, employees, suppliers and business partners. We couldn't have been more delighted with this ruling and publicly voiced our support via several channels. For example, Jan Jones Blackhurst published a piece in Vegas Inc. in August 2015 in which she wrote: "We at Caesars Entertainment support the Equality Act. However, we can't rely on the political process alone.... For us, that means workforce diversity and inclusion, which we believe are the keys to continuing the positive impact of the court's decision. It's not only the right thing to do, it positively affects business performance. .... It takes all of us working together — individuals and organizations — to make true equality a reality for everyone."

## Our public commitment to responsible social games

Our leadership of the International Social Games Association (ISGA) that we formed in 2013 has enabled an extremely positive year for social games around the world. ISGA now counts as members most of the major companies operating in this field that serve a player base of more than 350 million people worldwide. As the voice of the social games industry, ISGA continues to be committed to meeting stakeholder expectations and upholding responsible standards among social games businesses. In 2014, ISGA advanced two major initiatives that culminated in important publications for the industry.

### **Best Practice Principles Version 2**

The updates in the ISGA's Best Practice Principles Version 2 follow extensive consultations and feedback from within the industry and from stakeholders. It addresses 5 key aspects of social games:

- Advertising of games with in-app purchases as "free"
- Default payment settings and consent to purchase
- Guidance for games designed for children
- Preventing direct exhortations to children to buy products
- Clear provision of contact information

### Youth in the Digital Playground

In November 2014, the ISGA released its second independent academic research, "A Snapshot of Youth in the Digital Playground", which addresses concerns that social casino games encourage young people to gamble or develop gambling problems. The report's key findings include:

- A tiny proportion of under 18's play social casino games. The findings are consistent with industry data indicating that social casino games appeal to older individuals.
- Even fewer under 18's pay to play. Data showed that youth 13 to 18 years make up only 0.15% of players that pay to play and contributed 0.07% of all social casino market expenditure.
- The low level of paying play amongst under 18's challenges the claim that social games companies encourage young people to gamble.

Our Best Practice Principles (Version 1 and Version 2), designed to uphold industry responsibility amongst social games businesses,

have been central to developing the industry's standing with regulators globally. In 2013, the European Commission launched a review of concerns surrounding in-app purchases, involving consumer regulators across Europe. The Commission published extensive guidelines for developers and platforms. We updated our Principles to incorporate the Commission's guidance and were delighted to be praised at the conclusion of the inquiry by the Commission's Consumer Protection Committee.

## "The ISGA arose to fill an important gap in the ethical evolution of the social games industry.

By addressing the new questions that arise as the industry develops, we are able to raise the bar for existing and new companies in this field, making social games safer and more enjoyable for all.

We are particularly encouraged by our ability to help shape legislation. Our research on social games among young people, for example, is proving instrumental in helping regulators understand a concern that had been expressed about social games, namely that it might influence young people to become gamblers in the future. We granted the independent research team access to a largescale data snapshot of our member's games covering in excess of 12 million player data points across the UK, EU, Australia and the U.S. during May 2014 and their findings were very conclusive, clearly showing that under-18s are social gaming for fun and there is little or no connection to gambling for money.

The UK Gambling Commission (UKGC) has used our research to influence its approach to social games regulation. In January 2015, the commission concluded its three year scoping review and found "no compelling reason" to impose additional gambling regulation on the sector. The UK Gambling Commission (UKGC) was one of the first gambling regulators to look into the social games space."

-Simon Lerner, Policy Manager, ISGA

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# inspiring guests



OMNIA Nightclub inside Caesars Palace is just one of the many venues where Caesars Entertainment creates memorable experiences for our guests.

ABOUT

Our mission is to inspire grown-ups to play. We want our guests to have memorable experiences every time they honor us with their patronage. We inspire guests with unbeatable hospitality, world-class entertainment and service with passion and we reward them for their patronage through our industry-leading loyalty program. Our commitment to corporate citizenship is also important to our guests and in many cases, guests take part in our environmental and community initiatives.

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## Inspiring guests through inspiring entertainment

As one of the largest bookers of live entertainment in the U.S., and a home to some of the most popular celebrity chefs in the world, we are always trying to create the most diverse and memorable entertainment experiences to inspire our guests.









#### BILLING VEGAS 2014 TOP I N L A S

TOP BILLING FEMALE ARTISTS				
	Celine Dion	Britney Spears	Mariah Carey	Olivia Newton-John
Venue	The Colosseum at Caesars Palace	The AXIS at Planet Hollywood	The Colosseum at Caesars Palace	Donny & Marie Showroom
First Performance	2003	2014	2015	2014
Performances	927	62	54	45
Total audience	4 million	285K	200K+	33K

TOP BILLING COMEDY			
Seinfeld	Jeff Dunham		
Jerry Seinfeld, one of America's top comedians and lead in the "best sitcom ever" returned in 2014 to perform for guests at The Colosseum.	Top comedian Jeff Dunham and his entourage of signature characters took over Las Vegas with their resident show JEFF DUNHAM: Not Playing with a Full Deck at Planet Hollywood.		

## **TOP BILLING MEXICAN PERFORMERS**

#### **Marco Antonio Solis**

A world-renowned Mexican and Latin pop artist leads an array of Latin performers for Mexican Independence Day at Caesars venues in Las Vegas.

## INSIGHTS

From JASON GASTWIRTH. Senior Vice President of Marketing and Entertainment

ABOUT

"When our guests are having fun, so are we! It's all happening in Las Vegas and around the U.S. with our best-in-class shows that cater to a wide variety of preferences. We aim to create the most memorable entertainment experiences brought to the stage. We are seeing great trends, especially in Las Vegas, often referred to as the entertainment capital of the world. For example, we have seen an exciting shift toward resident headliner artists that our guests adore. Donny and Marie Osmond and Celine Dion were among our first, but more recently we have been delighted to welcome Olivia Newton-John, Britney Spears, Mariah Carey, Jennifer Lopez and others. These are some of the best artists in the world and they are at the top of their game. Our guests know they won't be disappointed. At the same time, we ensure we bring alternative entertainment for diverse groups and interests. So, for example, on Mexican Independence Day, we booked five shows with Mexican headliners. We also bring in top artists from China, Korea, the Philippines and elsewhere in Asia for our Asian visitors. Additionally, we are seeing Vegas becoming a new center of emerging music. Our affiliation with Brooklyn Bowl at The LINQ is helping attract new acts that are just breaking to Vegas.

Recently we opened OMNIA Nightclub at Caesars Palace. We think it is of the greatest clubs in the world and we have attracted some of the most vibrant artists around with strong appeal among millennial visitors. We opened OMNIA with Calvin Harris, the world's highestpaid DJ in both 2013 and 2014. That was really exciting and we have maintained this excitement with more great performers.

Our data shows that more people are coming to Vegas for the entertainment, not just for gaming. They have the opportunity to see artists up close in smaller, more intimate venues that give them an entirely different experience and engage them more personally.

Some even get to meet their favorite artists. We are also seeing people booking trips further in advance. For example, visitors are planning their trips around the Britney Spears show, and then thinking about the way they are going to plan the rest of their time. Our evening programming is driving a greater influx of a young and diverse crowd to Vegas. Our openings, whether it's OMNIA, Brooklyn Bowl or other nightclubs, have exceeded expectations. We are delivering the entertainment experiences that guests enjoy and this is good for business and it has been great for the local economy."

"It has been amazing to be able to call Las Vegas home for the past year. A portion of every ticket sold benefits the Olivia Newton-John Cancer and Wellness Centre. In the past year alone we have raised thousands of dollars for the wellness programs, which help people going through their cancer journey."

-Olivia Newton-John



**ABOUT** 



In recognition of the tremendous impact Britney Spears has had on Las Vegas since her residency at Planet Hollywood Resort & Casino began in Dec. 2013, a big celebration was held at The LINQ Promenade on Wednesday, Nov. 5, 2014, which Clark County proclaimed as "Britney Day." Clark County Commission Chairman Steve Sisolak presented Britney with an official proclamation, as well as the Key to the iconic Las Vegas Strip.

### Cherokee breaks all records

In 2014, we broke a few more records having fun at Harrah's Cherokee. In July 2014, we held an Ultimate Elvis Tribute Artist Contest, gathering hundreds of Elvis fans for a fantastic Elvisthemed show. 895 Elvis impersonators assembled at Harrah's Cherokee Casino Resort to make a new record for the "Largest Gathering of Elvis Impersonators", beating an existing world record, and earning Cherokee a place in the Official Guinness World Records.

We also broke another record in the world of poker. World Series of Poker (WSOP) is an iconic brand in the game of poker, and in 2014, we welcomed more than 25,000 players and gave out almost \$7 million in prize money. We also held a Seniors Event that drew 829 entries creating a prize pool of \$165,800. It was the largest Seniors Event in WSOP history. Ever.





#### The LINQ's First Music Festival

In 2014, we brought another memorable experience to the Strip. It was the Academy of Country Music's (ACM) 2nd Annual Party For A Cause® Festival that provides the best in live country music with a fundraiser for ACM's charitable arm. ACM has donated more than \$8 million to a variety of causes nationwide. The two-day festival drew thousands of music-lovers who enjoyed a lot more than music at the LINQ's shopping, dining and entertainment district and the unique experience of riding the world's tallest observation wheel, our High Roller.

REPORTING

## Inspiring guests through best facilities and services

We continue to invest in improving the facilities at all our properties and we are adopting the best of new technology to increase accessibility, convenience and direct control of services for the comfort and positive experience of our guests. In 2014, we invested more than \$900 million in renovations, remodels, facility upgrades, new technologies and environmental improvements at our properties around the U.S.



## Improving facilities for our guests

- Kiosk check-in
- Digital concierge
- · Auto valet parking
- Smartphone app controls of TV and radio
- Smartphone as room key
- More EV charging stations

## inspiring **HERO**

**Joan Bish** volunteers with several social causes. Last year, she made a video scrapbook with 1,000 photos and videos of colleagues to recognize them in their fight against cancer. Joan nurtures the Employee Garden, raising money from vegetables for the NWI Food Bank. Last year, Joan walked more than 50 miles for Relay for Life.





"The world needs more HEROs.

Everyone inspires me, so I give what
I can simply because I can."

Joan Bish,

Marine Operations Supervisor, Horseshoe Hammond Casino TABLE OF CONTENTS OUR CONTRIBUTION **EMPLOYEES** ENVIRONMENT COMMUNITIES REPORTING ABOUT GUESTS

## INSIGHTS

From **BOB MORSE**, President of Hospitality

"We have always insured we listened to guest feedback so we can incorporate their comments into how we do business. This year we made a step change in the way we solicit feedback from our guests by significantly broadening the range of guests we routinely survey. Not only this, we set up a broader rating system to provide a more precise analysis of guest views so that we can benchmark more easily with the rest of the industry. This has given us new insights and helps us do even better at serving our guests.

We are concentrating on technology that will allow us to deliver faster, better, direct services. Our hospitality technology committee combines several corporate experts from different functions and we are always seeking to use technology applications to deliver higher levels of service. For example, we are now rolling out kiosk check-in at our properties to avoid guests having to wait in line to check in or check out at the hotel desk. Ultimately, we envision a complete digital check-in with a smartphone app that provides access to guest bedrooms and other resort facilities - this was installed in 2014 at our prestigious Vegas venue, The Cromwell. Guests receive a link to The Cromwell app and an access code on their mobile device. Guests download the app, enter their ID number and place their smartphone next to the lock to open the door. Expanding this to more properties will be a big service game-changer.

The visitor dynamic in Las Vegas is changing. Whether we are catering to millennials or our more traditional customer base, the expectation from all of our guests is that we deliver a fully integrated experience. Not only is there an expectation that we deliver a more well-rounded, comprehensive

entertainment experience at our resorts, our visitors also expect that we incorporate the use of technology during their stay for a more seamless and convenient guest experience. Using technology both helps to meet the demands of our guests and also supports our green initiatives. For example, the greater use of digital information systems within our guest rooms has helped us dramatically reduce the number of printed materials used to promote our in-room dining, entertainment and resort amenities. With more than 24.000 rooms across our nine Las Vegas resorts, technology has not only helped us to reduce our environmental impact it has also helped us create a more interactive guest experience."

**EILEEN MOORE**, Regional President and General Manager, The LINQ, Flamingo, The Cromwell

"We have invested in significant training to help our teams learn how to operate new systems and adapt to the changing marketplace. Learning new, more efficient modes of service delivery is both beneficial for our business and for our employees by helping them acquire new technical skills. The effect has been quite positive and, in many instances, we have also embraced new technologies to drive greater employee engagement. Our passion for service and delivering great experiences for both our guests and employees will always be a constant, but technology allows us to continuously improve, freeing up the

teams' time to engage with

guests and, ultimately, deliver a

more personalized experience."

#### Welcome in any language

In a rapidly growing global travel market, another way we improve our service for guests is simply by speaking their language. In our U.S. venues, we are gearing up for greater growth in visitation from international markets and in 2014, we introduced training for employees in the unique qualities of different cultures, with an initial focus on Asia. We believe the most beautiful sound for someone visiting another country is the sound of their own language. Our training includes basic cultural norms and phrases and words for the 7 most used languages in Asia. So far, we have trained hundreds of Caesars dealers, service representatives and property staff in these multicultural basics which we hope, together with our passion for service, will inspire our guests from all countries and backgrounds to get more out of their stay with Caesars.

#### **Total Rewards**

We engage our guests and understand their desires and preferences through Total Rewards, our award-winning guest loyalty program. We offer guests a range of benefits, discounts, exclusive entertainment options and more, in return for their loyalty to Caesars Entertainment. Total Rewards maintains the largest casino and hospitality loyalty customer database in the world, consisting of more than 45 million members. We have set the industry standard on using data and analytics to drive insights about our opt-in customer preferences that enable us to identify opportunities to better serve our members, while protecting customer privacy.

## > 45 million registered members

> **80%** of members cite Total Rewards as their loyalty program of choice



## INSIGHTS

From MICHAEL MARINO, SVP, Loyalty and Digital

"One of the great additions we have been able

the ability to use Total Rewards to order events

to offer to Total Rewards members in 2014 is

tickets anywhere in the world. Members can buy tickets and earn Reward Credits, or redeem their Reward Credits for tickets to any concert or sporting event worldwide! We are seeing this grow in popularity, especially in the different sports seasons. Another change we made in 2014 is the ability to order everything online from our Total Rewards catalog. This is not only more convenient for our members but it saves on inventories and logistics, significantly reducing the entire environmental footprint of our

Total Rewards operation."

**EMPLOYEES** 

**OUR CONTRIBUTION** 

#### The best in responsible meetings

**ABOUT** 

We have 2 million square feet of convention space across our properties in the U.S. and we organize 15,700 different meetings, gatherings, conventions, congresses and private events that are attended by two million people each year. In 2014, we continued to expand our convention facilities at several properties. We offer a full range of "Responsible Meeting" options supported by a team of more than 65 newly trained and certified professionals on our staff to inspire customers with sustainable choices when planning events.

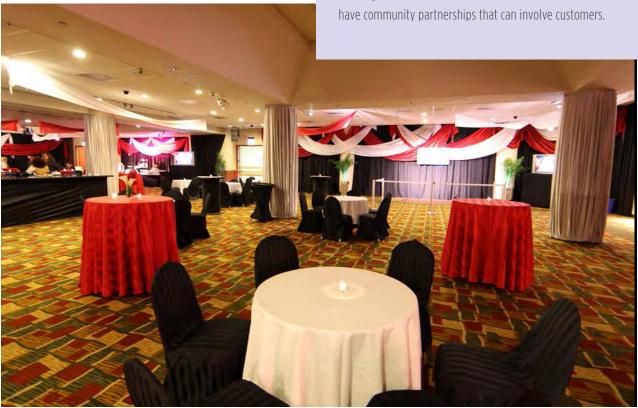
Responsible meetings is part of the standard offering we provide our customers and is integrated into the planning of every meeting we organize for our customers. Our approach to responsible meetings touches on a range of coordinated citizenship efforts including our seven Responsible Meeting commitments that support environmental sustainability. In addition, we offer community partnerships and engagement opportunities, Responsible Gaming and business practices and transparent disclosure of our policies, approaches and performance across our citizenship efforts through our annual Citizenship Reports and local State Citizenship Fact Sheets.



At each Caesars venue, we provide seven Responsible Meeting commitments:

- 1 Paperless online event menus, meetings guide and billing
- 2 China, flatware, and linen offered in place of disposables
- 3 Energy-optimized lighting, heating, and AC
- 4 Water only preset on tables on request
- 5 Responsible Meetings trained and certified sales and operations managers
- 6 Environmentally-preferred choices specific to each location
- 7 Silver IMEX Green Supplier Award Recognition and **Green Key Eco Rating**

Many properties offer additional sustainable options like organic meals, electronic signage, recycled meeting materials, and postmeeting environmental reports. In addition, all Caesars properties



ABOUT

"CinemaCon is the largest and most important annual convention of movie theater owners from more than 80 countries around the world. We bring in 3,000 registered delegates, while more than 6,000 people are actually on hand throughout CinemaCon, from all facets of the industry including exhibition, distribution, filmmakers, talent and any and all other associated and related businesses to the motion picture theatre industry.

CinemaCon is a thoroughly inspiring event, showcasing the latest developments in our industry to help our delegates get ideas about how to maintain the excitement for moviegoers from the product that appears on the screen to the totality of the theatrical experience once you've purchased a ticket. It's never been more important for the industry to attract moviegoers than it is today - there is so much competition for the leisure dollar from TV, home movies, the internet, social media and more. Going to a movie is one of the last forms of social interactivity out of the home that is affordable for the masses.

In 2015, we concluded our best-ever fifth year of CinemaCon and one of the reasons we have been so successful is our partnership with Caesars Palace. Caesars Palace is the perfect home for CinemaCon: the full range of facilities at the property enables us great flexibility in organizing the event and the Caesars team offer us outstanding service. More than anything, it's a great relationship. That's why we have contracted right through 2024 with Caesars Palace".

-Mitch Neuhauser, Managing Director, CinemaCon





Paul Rudd (above) and Julianne Moore, accepting awards at CinemaCon

## INSIGHTS

#### From MICHAEL MASSARI, Senior Vice President for National Meetings and Events

"We have been fortunate to see our conventions and meetings business grow in double digits in 2014, completing a hat trick of similar performance over the past three years. We have been able to maintain this growth in somewhat of a recessionary market as we have reinvested in our sales organization at a time when other companies were cutting back. An example of our long-term commitment to serving this sector is that we relocated several staff out of Las Vegas to be closer to customers around the U.S. Also, we have continued to expand and

upgrade our venues, offering more and better facilities. Our new \$126 million conference center project, the Waterfront Conference Center at Harrah's Resort in Atlantic City is one of our most ambitious current projects. We are planned to open in 2015, and we already have meetings on the books through 2019 and well over 100,000 definite room nights. This shows we are providing a facility that large companies need - they don't all want to have their teams travel long distances to find great convention facilities."

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## A commitment to Responsible Gaming

>250

Responsible Gaming Ambassadors at our properties

26,912

Hours invested in training in Responsible Gaming in 2014

53,825

Employees participating in Responsible Gaming training in 2014

### 25 YEARS OF RESPONSIBLE GAMING

1989	1995	1996

**Created Operation Bet Smart** program - the first commercial company to directly address problem gambling.

Partnered with AT&T and the National Council on Problem Gambling to start the first nationwide toll-free helpline. Served as founding member of the National Center for Responsible Gaming.

Expanded industry-leading national self-restriction and self-exclusion programs.

## 2009

2012

Completed RG2 - Responsible Gaming IT system after 6 years work and \$3 million investment for better enforcement of Responsible Gaming programs.

Launched RG ID @ Slots to

identify RG excluded individu-

als gambling on slot machines.

## 2012

2005

Received accreditation in the Responsible Gambling Council (RGC) RG Check Program at our Caesars Windsor property – the first in Canada.

## 2002

2013

Launched television commercials devoted entirely to Responsible Gaming, an industry first.

## 2000

1999

Launched our Code of Commitment, including a commitment to promote Responsible Gaming.

Launched new Responsible

**Gaming Employee Training** 

with a suite of programs for

employees at different levels

including RG Ambassadors.

Implemented Responsible Gaming programs for new online gaming products in Nevada and New Jersey.

## 2014

Received accreditation for Responsible Gaming programs from the National Casino Forum (NCF) - the first in the UK.

"Caesars Entertainment has consistently levered the power of partnerships over many years to address complex issues related to the gaming business. All those interested in or affected by problem gambling, including gaming operators and regulators, have many resources available to them that were developed by Caesars Entertainment during more than a decade. Their programs are the most holistic and comprehensive of which I am aware in the world of casinos and responsible gaming."

-Carl Braunlich, Associate Professor, College of Hotel Administration, University of Nevada, Las Vegas

## INSIGHTS

#### From CAROLENE LAYUGAN, Responsible Gaming Program Manager

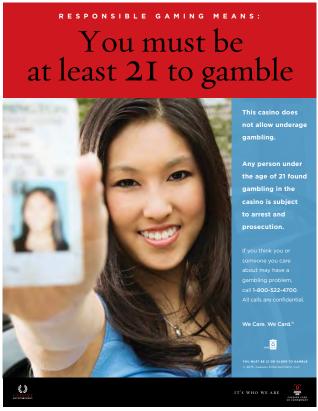
"Responsible Gaming is at the heart of our commitment to our guests, employees and all stakeholders. We have always pioneered an industry-leading approach to Responsible Gaming that spans research, partnerships with leading organizations, development of innovative technology and comprehensive training and practical tools for all our staff. In fact, this last year, we marked 25 years of leadership in promoting Responsible Gaming! We maintain an active role in industry-wide efforts to ensure high standards of Responsible

ABOUT

Gaming in every form of gambling that we offer. All our properties have Responsible Gaming Ambassadors who promote Responsible Gaming to our guests and offer assistance to guests that may not be gambling responsibly.

Caesars is proud to have notched up a few more firsts in Responsible Gaming. In the past two years, Caesars Windsor in Canada and Caesars Entertainment UK became the first international casinos to be accredited by gaming organizations in their countries."





"Caesars' position on Responsible Gaming is simple and unequivocal: Caesars wants everyone who gambles at the company's casinos to be there for the right reasons—to simply have fun. Caesars does not want people who cannot gamble responsibly to play at Caesars' casinos or, for that matter, at any casinos."

-Jan Jones Blackhurst, Executive Vice President of Communications, Government Relations and Corporate Responsibility

#### **Responsible Gaming Education Week**

**ABOUT** 

In 2014, we participated once again in the American Gaming Association's 17th annual Responsible Gaming Education Week (RGEW). RGEW was created by the AGA in 1998 to increase awareness of problem gambling among gaming industry employees and customers and to promote Responsible Gaming nationwide. This year held specific significance for Caesars as it marked 25 years of leadership by Caesars in promoting Responsible Gaming since we launched the industry's first Responsible Gaming campaign, Operation Bet Smart. Under the program, Caesars has trained more than 250 employees to be become Responsible Gaming Ambassadors (RGAs) in the U.S., UK and Canada to engage and have conversations with guests that may not be gambling responsibly and to offer resources for assistance. In honor of Responsible Gaming Education Week, Caesars held activities at each property to continue efforts in building awareness about problem gambling and the resources available, while honoring the dedicated employees who work hard to provide a positive experience for all.

## **Industry leadership in Responsible Gaming** in the UK

In early 2015, Caesars became the first gaming company in the UK to receive accreditation by ACE (Accreditation, Certification and Evaluation) confirming that our policies and procedures conform to the Playing Safe Core Code of Practice on Responsible Gaming. Playing Safe is an initiative led by the National Casino Forum (NCF) that now gathers more than 95% of the UK's casino companies with a shared aim of promoting a positive agenda for a well regulated, socially responsible and economically sustainable casino industry. Former Caesars UK Compliance Director, Roy Ramm (now retired), chaired the NCF for several years until April 2015, and during his tenure, he was instrumental in driving for better self-regulation of our industry, culminating in the Playing Safe Core Code of Practice as well as a means of certifying UK casino companies against the Code. Currently, the General Manager of Caesars Entertainment UK, Mike Rothwell, participates in the NFC on behalf of Caesars UK and joins the Forum in pushing for early implementation of a national mandatory self-exclusion scheme that we expect to go live in 2015.



"The ACE certification process is quite rigorous. An independent panel of academics and experienced industry professionals visited our office and our casinos to complete their audit. We gave them carte blanche to look at whatever they wished, including documentation, and talk to



-Viv Ross, Compliance Manager, Caesars Entertainment UK

## inspiring **HERO**

**Janice Miller** has dedicated more than 1,000 hours in the past 5 years to help hundreds of people through events promoting healthy lifestyles for children, food drives for the hungry, empowering women, helping at-risk youths and assisting elderly residents in arts and crafts activities.





"What inspired me to be a HERO is seeing all the underprivileged children in the community who have the potential to be great adults, but are lacking the guidance."

**Janice Miller,** Security Supervisor, Flamingo Las Vegas

# inspiring employees



Caesars Palace General Manager Sean McBurney recognizes employees for their outstanding commitment to service. From Left to Right: David Barrientos (Supervisor of the Month), Christopher Chan (Supervisor of the Month), Lila Norman (40th Anniversary), Michael Mays (Employee of the Month), Sean McBurney (General Manager), Camerina Gamboa (40th Anniversary), Pete George (47th Anniversary), Quang Dai (Employee of the Month), Dan Burdalski (Vice President Table Games), Ramesh Sadhwani (Vice President Hotel Operations), Cory Johnson (Vice President Food and Beverage)

Wherever we are at Caesars, our values are who we are. It all starts with creating an inspiring workplace for thousands of colleagues who, each year, deliver record service levels and spread positive energy throughout our organization. Passion for service, professional excellence, diversity and inclusion, wellbeing, safety and caring citizenship are just some of the basics of our organizational culture that inspires employees to inspire grown-ups to play.

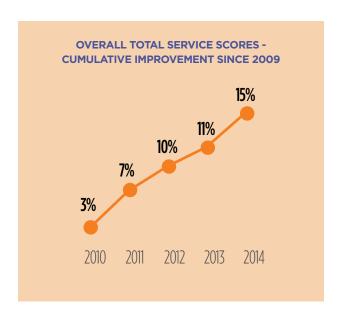
**EMPLOYEES** 

## Inspiring a passion for service

ABOUT

**OUR CONTRIBUTION** 

Total Return is an incentive program that rewards our employees for outstanding customer service. When employees, as individuals or teams, meet or exceed our customer satisfaction targets, they receive Total Return Credits to redeem against the latest merchandise, travel, entertainment and event tickets, and digital media. Linking employee performance to the opportunity to earn Total Return rewards is major part of our overall employee engagement strategy. Once again, in 2014, our employees achieved an improvement in overall Total Service "A" scores – the highest recognition that our guests can award for the service they receive.



TOTAL RETURN FOR **OUR EMPLOYEES** 

\$96 million in Total Return credits earned by employees since 2009

\$16.1 million in Total Return credits earned by employees in 2014

\$1,500 average Total Return credits per employee per year since 2009

83% redemption rate of Total Return Credits earned by employees

**750,000** Root for Me e-Cards recognitions in 2014

9 Total Service Jackpots won in 2014 for a 6% or more service score improvement.

## INSIGHTS

From TERRY BYRNES, Vice President, Total Service

"As each year passes, our collective commitment to living our value of Service with Passion and creating memorable experiences for guests grows. This is most evident in the way we select, train and onboard employees, particularly when we open new locations. Our employee incentive program, Total Return, is well understood and employees continue to earn Credits and redeem for a variety of personalized rewards. Not surprisingly, tablets and personal electronics of all kinds were the most popular redemption choices. Much of our success in engaging staff

to deliver around guest service comes from the way we make results and customer feedback unavoidably visible to everyone. This enables opportunities for recognition and improvement, drives accountability and even promotes healthy competitive spirit between properties and teams. We also encourage frequent personal recognition for great service and 2014 saw more than 750,000 electronic recognitions for great service sent to colleagues from co-workers or supervisors. That's an average of 10 e-recognitions per employee for the year!"

"We were delighted when Horseshoe Bossier City scored the highest service improvement of all our properties in 2014, recording a 10.5% shift. This was not by chance. We drive great service in any way we can. Our new hires go through three full days of training that is mostly focused on service. We try to think of little unexpected ways to delight our customers and at the same time, we supplement our Total Return program for employees with other rewards. For example, the best performing employees are invited to a special luncheon once a quarter to meet with the Property Executive team.

One of the changes we made to achieve higher service levels was to take a data-based approach. We analyzed our customer feedback and noted, for example, that 71% of our diamond customers entered via the parking garage. This insight gave us the opportunity to relocate security staff at the bottom of the parking garage elevators to greet customers coming on and off the elevators and to heighten the appearance of safety in the garage. Changes such as these have made a very positive impact on our service scores."

-Mike Rich, Senior Vice President and General Manager of Horseshoe Bossier City and Harrah's Louisiana Downs

#### A culture of engagement

We measure employee engagement with our annual Employee Opinion Survey (EOS) and Supervisory Feedback Survey (SFS). The EOS gives employees the opportunity to provide confidential feedback on our workplace and the SFS allows employees to provide confidential feedback about the quality of our leadership throughout the organization. In 2014, we saw increases in both engagement and supervisor satisfaction. Also, our scores for questions relating to our Mission, Vision and Values increased in 2014, showing a high level of engagement with who we are at Caesars.



"How we lead our people makes the difference to how our people provide service to our guests. For more than a year now, we have been conducting leadership development and coaching practice sessions for around 300 leaders at our resort, to help them do better at bringing our Mission, Vision and Values to life at all levels of our organization. Each month, we run 8 parallel leadership development sessions, covering the different aspects of leadership, employee relations and engagement. So far, we've had around 15 meetings - that's more than 120 individual sessions. We prepare the monthly agenda based on what attendees have asked to cover and other relevant topics. We may find an interesting TED talk to use as a basis for discussion, or set up some role-plays on giving and receiving feedback. This ongoing practical and positive approach is getting through. Our service scores are very strong compared to the average at Caesars. What keeps me going are the tangible results we see around the property and the appreciative emails and phone calls I've received almost every month."

-Darrell Pilant, Vice President & Assistant General Manager, Harrah's Resort Southern California

## INSIGHTS

#### From JAIME STRATTON, Corporate Vice President of Culture and Engagement

"We have always been an organization focused on creating a great place to work and investing in our employees, offering opportunities to diverse individuals. In the past few years, however, we have seen our engagement and supervisory satisfaction levels shoot up even higher, way beyond comparative industry benchmarks. One of the reasons for this is that, about two years ago, we launched our new Mission, Vision and Values. We struck gold with this. Our employee survey data has told us over the past two years that employees have been hungry for this clarity of direction and it is inspiring them to do great work. It is the number one driver of engagement.

ABOUT

We are communicating what our values look like in action. We have been fast in getting people to feel connected. This type of process takes six or seven years in other companies. Already in year two, we know it is making a difference in engagement. Employees can memorize and recite our six values. Now we are taking it to the

next step from "celebrating and recognizing" to "celebrating and demonstrating". We are defining our values in behavioral terms and sharing stories of people who are living the values to give employees a framework about what our culture really looks like. There are so many great things happening to drive pride around the company. We want to pull this together to help inspire more employees.

## Linked to engagement is accountability. We want to drive a greater accountability and we are working with Human Resources analytics department to reengineer our HR scorecard.

Our goal for this year is offer a solutions matrix to share how great results are achieved and how to support taking accountability for taking positive action. These metrics will tie directly back to overall performance of the business so that our employees will see the link between what they do and how it impacts. We think that's the best way to inspire employees to action."



Jamie Stratton, fourth from left, and the Las Vegas Region HR Leaders created an Employee Opinion Survey Squad to engage employees during the annual survey.

## Inspiring employees for growth and development

## **Inspiring emerging leaders**

For the past three years, we have offered programs designed to expose identified emerging leaders to programs that support their career progression in our organization by providing targeted, individualized professional development, activities and feedback designed to accelerate them to the next career level. In 2014, we offered the Executive Development Workshop which provided participants with tools ranging from career development diagnostics to marketing immersion studies and strategic influencing activities. On average, over 50% of emerging leader participants realized growth in the company within the next year.

## **Inspiring interns**

Every year, we offer 12 week paid internship programs to college students all over the country, engaging around 4 to 6 students per property, helping them understand more about and gain skills in a specific profession. In 2014, we provided such opportunities for more than 50 students. As we do each year, to attract students for our next intake, in December, we hosted a workshop day at Planet Hollywood in Las Vegas for 175 college students, with presentations from our most senior business leaders. Students could tour different departments in the organization to see at first-hand what life is like behind the scenes. Typically, more than 50% of our interns attend such a workshop prior to coming on board.

#### **Inspiring education**

Every year, we help employees achieve their development goals through our Education Assistance program that reimburses

**EMPLOYEE GROWTH** AND DEVELOPMENT

**3,549,841** total training hours for the organization

63 average training hours per employee

**196,000** online training hours completed by employees

**50** Our ranking in *Training Magazine's* Training Top 125 Companies for training, 2014 is the fourth successive year we are included in the top 125 organizations with the most successful learning and development programs in the world.

eligible employees up to 90% of undergraduate or graduate tuition fees. Employees select study programs that best meet their personal development objectives. In 2014, more than 400 employees gained the benefit of Caesars tuition reimbursement to a total value of \$559,940 for courses completed in 2014.

"Employee development at Caesars is a world of possibilities and opportunities. Anyone can achieve their professional goals in our organization if they apply themselves and take advantage of the learning opportunities we offer, both in-job and through specific organizational learning programs. We align learning with career development to support the growth and upward mobility of our employees. We strive to build upon best demonstrated learning practices by utilizing cuttingedge technology and social networking tools in connection with our training curriculum. In addition, we offer employees an eLearning curriculum with hundreds of courses on topics including professional skills, computer skills, and leadership skills that they can complete at their own pace. All relevant employees also participate in mandatory annual regulatory and compliance training."

-Eloise Scavella, Vice President of Employment & Training

## Inspiring a diverse and inclusive workplace

Diversity and inclusion means respecting differences and appreciating the unique talents of each individual. We actively seek diversity in our workforce, as this enriches our workplace and enables us to be responsive to the needs of the diverse range of guests we welcome from all over the world. We find diversity inspiring.

### **OUR DIVERSE TEAM**



Diversity Walk, Horseshoe Cleveland

**57**%

employees in our workforce belonging to minority groups

36%

employees over the age of 50 in our workforce

**50%** 

women in our total workforce

36%

managers belonging to minority groups as a percentage of all managers 41%

women managers as a percentage of all managers

33%

managers over the age of 50 as a percentage of all managers

#### **Inspiring veterans**

In 2014, we continued our Enlisting Heroes initiative for hiring veterans and held more than 70 individual networking and recruitment events specifically targeted toward the veteran population. On average we offer opportunities to around 50 veterans each month, and from our program launch in 2013, we have hired over 1,000 veterans who are playing an active role in our workforce today.

"Hiring veterans is a great way to demonstrate our citizenship while meeting our targets as a business. Our veteran population has highly relevant skills and each one makes an important contribution. In 2014, we were pleased to be nominated a "Green Zone" employer as part of the initiative of the Nevada Department of Veterans Services that supports veterans in different aspects of their integration in society. Caesars supports veterans in other ways too. For example, we donate surplus food from our restaurants to Veterans' Village for homeless veterans and partner with Goodwill to donate other items to veterans."

-Tonika Quick, Training Manager

#### **Supporting LGBT employees**

For the eighth consecutive year, we earned a perfect rating from the Human Rights Campaign's annual Corporate Equality Index. The Corporate Equality Index scores businesses based on lesbian, gay, bisexual and transgender (LGBT) workplace policies and public engagement on LGBT rights issues, providing a roadmap for employers to enhance their employment guidelines, benefits and other practices.

#### **Inspiring new citizens**

We are always happy to help our employees gain citizenship in their chosen new home. We maintain a Citizenship Rewards Program for Las Vegas employees who become naturalized citizens of the United States with a refund of up to 100% of the application and assistance in preparing for the process. In 2014, we rewarded a further 34 employees with Citizenship Rewards at a value of more than \$23,000. To date, we have helped more than 280 employees become U.S. citizens.

Caesars employees also take advantage of free citizenship workshops which are organized as civic events in Las Vegas, Reno and Southern California properties in conjunction with Mi Familia Vota and Human Rights Campaign. Caesars has been a founding and underwriting coalition partner since inception of the coalition in 2010, serving thousands of eligible residents for free services for applications and legal assistance in Spanish and English.

"I am proud to call myself a citizen of the United States. I have waited 5 years for this moment and I am very excited to start a new chapter in my life. This is an honor that I will take with me until I grow old. I treasure every moment of being in this country. I know that citizenship is a gift to immigrants like myself and should be valued. In return, I will continue to be a good citizen."

-Mary Diana, Leisure Sales Coordinator, The Paris

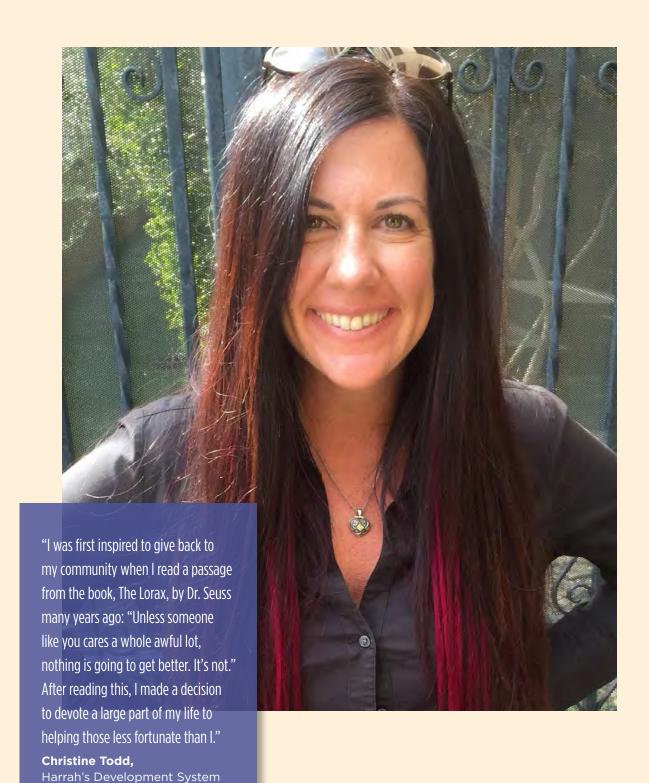


## inspiring **HERO**

Manager at Harrah's AK-CHIN

Christine Todd supports the American Cancer Society and Against Abuse, Inc. In the last year alone, she helped raised donations and 1,200 hours of service for Breast Cancer Awareness. She also coordinated the Maricopa Against Abuse "Adopt A Family" campaign and raised \$60,000 for our United Way Campaign.





## Inspiring employee health, safety and wellbeing



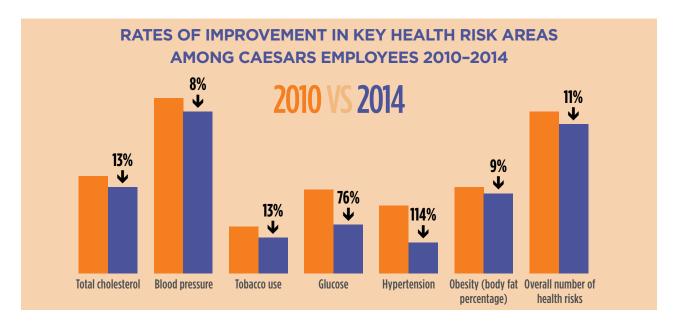
Caesars HEROs at The Color Run, which raises monies for charities while promoting a fun and active lifestyle.

We continue to inspire our employees to achieve better health and wellbeing though our corporate Wellness Rewards program, introduced in 2011, that motivates employees to care for their health and save thousands of dollars. Our investment in health and wellness has contributed to a reduction in costs through reduced health claims and improved continuity and customer service for Caesars, while enabling employees to save more than \$3,600 per year for themselves and their partners. On average, medical claims paid for Wellness Rewards participants are \$344 per month versus non-participants at \$551 per month. Additionally, participating members are significantly more compliant in managing their medical conditions, receive more preventative care, and spend less time in the hospital and emergency

rooms.

More than 80% of employees engage with our Wellness Rewards program and they are supported by 28 WellNurses at our resorts across the U.S. Each WellNurse is responsible for meeting participation goals and we encourage our WellNurses to learn the unique culture of their property, and gave them the flexibility to design programs that complement that culture and drive engagement. As a result, 85% of employees that need condition management complete their custom program. Once a year, we host a WellNurse summit in Las Vegas as an opportunity for us to celebrate successes, share best practices, and ultimately, strengthen the program as a whole.

The Caesars health plan has achieved an industry-leading compound annual growth rate of -2.2% over the last four years and has helped us save tens of millions of dollars. With these savings, Caesars has been able to buck the trend of eroding the quality of employee benefits, and for 2015, we further enriched our health insurance by significantly lowering out-of-pocket maximums.



National wellness award: In mid-2015, Caesars was recognized for the success of our wellness culture, program and employee participation at the North American Employee Engagement Awards 2015. Caesars Entertainment was honored to be granted The Wellbeing Initiative of the Year award by a panel of 20 independent judges. The Employee Engagement Awards and Conference brings together partners aligned by a common purpose: to inspire, connect, recognize and celebrate the talented people changing the way organizations work.

**Nevada wellness award:** In 2014, the Northern Nevada Chamber of Commerce honored Caesars teams at Harrah's Reno and

Harrah's Lake Tahoe with the annual "Healthiest Place to Work Award" in the large business category. Our teams presented a diverse selection of initiatives focused on improving employee health, ranging from companywide programs such as Wellness Rewards, to property initiatives such as financial and stress management seminars or providing healthy food options at work. In addition, employees' responses to a survey confirmed that our organization is highly health focused. This is the first time a gaming company has claimed the top honor which was awarded at a ceremony with more than 200 business professionals from Northern Nevada.

"The results truly speak for themselves. Wellness Rewards participants have substantially lower medical claims. Additionally, participating members are significantly more compliant in managing their medical conditions, receive more preventative care, and spend less time in the hospital and emergency



rooms. The Wellness Rewards program is a worthwhile investment for Caesars. We paid out \$11.5 million in outcomes-based bonuses to employees in 2014 in addition to the \$4 million expense for our WellNurses. The return on this investment is that our Wellness Rewards program has helped us to save tens of millions of dollars while improving the quality of life for our employees and helping them be at their most productive in the workplace. At the same time, we reduce the healthcare cost burden to society, which is an important aspect of our corporate citizenship."

-Mary Thomas, Executive Vice President, Human Resources

# inspiring

# environmental stewardship



Maria Corral ensures that unused soaps are recycled as part of Caesars' partnership with Global Soap.

Since its inception in 2007, CodeGreen has become the way we do things at Caesars Entertainment. Environmental stewardship is an essential part of our Code of Commitment and of our overall CodeGreen strategy. CodeGreen initiatives have had a significant cost-saving impact for the company in addition to helping us meet our responsibilities to stakeholders and engage employees. 2014 was another banner year for our environmental initiatives. Further performance improvements brought our overall achievements since 2007 to industry-leading levels.

TABLE OF CONTENTS **ABOUT OUR CONTRIBUTION GUESTS EMPLOYEES** COMMUNITIES REPORTING ENVIRONMENT



CodeGreen is our company-wide environmental and sustainability strategy that defines multi-year short and long-term targets in several areas:

► Energy conservation ► Greenhouse gas emissions reduction ► Water conservation ► Waste diversion ▶ Green construction ▶ Employee engagement ▶ Guest engagement

-1.7%

energy use / 1000 sq. ft. in 2014 vs. 2013

-21.3%

cumulative reduction in energy use / 1000 sq. ft. since 2007

+2.3%

water use / 1000 sq. ft. in 2014 vs. 2013

-16.6%

cumulative reduction in water use / 1000 sq. ft. since 2008

+9%

waste diverted from landfill in 2014 vs. 2013

+21%

waste diverted from landfill in 2014 vs. 2012

**Science-based goals:** In 2015, we have undertaken a further challenge by committing to a science-based climate change targets. Targets are considered "science based" if they are in line with the level of emissions reductions necessary to keep global temperature increase below 2°C (3.6°F) compared to pre-industrial temperatures, as described in the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). The science-based initiative is led by a coalition of organizations including the UN Global Compact, the Carbon Disclosure Project, the World Resources Institute and the World Wildlife Fund. During the coming months, we will be assessing our current targets against science-based parameters and making adjustments accordingly. In the meantime, we believe we are the first company in the hospitality industry to adopt such an ambitious challenge. Our new program is set out below:

believe we are the mac	company in the hospitality industry to duopt such an arms	nerous chancing	er our ment progra	1111330000	c io cro vvi
CODEGREEN TARGETS		CUMULATIVE ACHIEVEMENT 2007- 2014	PERFORMANCE AGAINST 2014/15 TARGETS	NEW 2020 TARGET	2025 TARGET
Energy	Reduce energy consumption (fossil fuel based) per 1,000 air-conditioned sq. feet by 20% by 2015 and 40% by 2025 (2007 baseline).	-21.3%	Exceeded	-30%	-40%
Greenhouse gas emissions	Reduce greenhouse gas emissions per 1,000 air-conditioned sq. feet by 40% by 2025 (2007 baseline).	-22.6%	2013 target exceeded	-30%	-40%
Water	Reduce water consumption per 1,000 air-conditioned sq. feet by 10% by 2015 and by 15% by 2020 (2008 baseline).	-16.6%	Exceeded	-20%	-25%
Waste	Divert 25% of total waste from landfill in 2014 and 50% in 2020.	44.3%	Exceeded	50%	60%
Real Estate	Achieve LEED certification for all newly-built and expanded properties owned by Caesars.	100%	Achieved	100%	100%
<b>Green properties</b>	Green Key Certification for all hotel properties in North America.	100%	Achieved	100%	100%

TABLE OF CONTENTS ABOUT OUR CONTRIBUTION **GUESTS EMPLOYEES** COMMUNITIES REPORTING ENVIRONMENT

## **Inspiring performance in 2014**



## INSIGHTS

From **ERIC DOMINGUEZ**, Corporate Director of Facilities, Engineering and Sustainable Operations

"We have continued to drive our environmental performance under our **CodeGreen strategy with consistent** improvements over the past seven years. As we look back, our program has delivered big reductions in energy, emissions and water consumption while the level of waste we divert from landfills has shown a steady increase. We are continually challenging ourselves and this year we set new interim sustainability targets on the way to 2025, as we had already exceeded many of our original 2015 goals. We have done this with the absolute commitment of our top management, significant financial investments in infrastructure and employee engagement at an unprecedented level.

This fall, The LINQ Las Vegas and Horseshoe Casino Baltimore received the U.S. Green **Building Council's highly-coveted Leadership** in Energy and Environmental Design (LEED) certification for buildings. As the first LEED Gold-certified project for Caesars, Horseshoe Baltimore is one of only four casinos in the U.S. to be LEED-certified. Our LEED Silver-certified LINQ Promenade features high-efficiency

drip irrigation systems that help reduce water consumption by more than 51%. Our commitment to green building is part of our CodeGreen strategy that has prompted Caesars to invest in over 180 energy-efficiency



projects at our properties in recent years.

**Environmental consciousness is increasingly** part of our guest experience. Our guests can now charge their electric vehicles at 13 of our West Coast resorts with expansion to other properties under development. We are making more digital options available to guests, such as paperless check-in - this means less waste and greater resource efficiency while simplifying our guest experience. Equally, we provide guests an opportunity to become involved in local environmental efforts such as CodeGreen Challenges and Responsible Meetings that can enhance their experience with us."



Horseshoe Casino, Baltimore.

TABLE OF CONTENTS COMMUNITIES **ABOUT** OUR CONTRIBUTION **GUESTS EMPLOYEES ENVIRONMENT** REPORTING

## CodeGreen in the spotlight



In the U.S., we continue to receive recognition for our leading CodeGreen strategy and execution which provides us opportunities to share our experience and inspire others to follow. We are incredibly proud of the way all our colleagues work hard in so many ways each day to help us live up to our CodeGreen commitments. We are happy to share some of the positive encouragement we have received in the past year.

Energy management	Our energy management program was selected as a Top Project of the Year in the 2014 Environmental Leader Awards for driving impressive environmental and financial benefits.
Climate change management	Caesars Entertainment was recognized in 2014 by the EPA with the Climate Leadership Award for Excellence in Greenhouse Gas Management for achieving our absolute carbon reduction goal of 10% a year early alongside physical expansion of our facilities.
Water management	Caesars was acknowledged for reduced water use between 2008 and 2013 as part of the EPA's WaterSense H20tel partnership program. A case study about our water saving achievements is available on the EPA WaterSense website.
Carbon disclosure	The Carbon Disclosure Project awarded Caesars Entertainment a 98% disclosure score and an A- performance band score for our 2013 carbon disclosure, the highest score among companies in our sector in 2014. Our industry group average recorded by the CDP was 51%.

In the UK, we were also proud to win two Green Apple Environment Awards, "Food for Thought" and "Carbon-free Christmas", presented to Caesars Entertainment UK at the British Houses of Parliament. The Green Apple Environment Awards were launched in 1994 by The Green Organization – an independent not-for-profit organization that promotes environmental best practice around the world.

Food for Thought	We were recognized for our contribution to promoting efforts to address climate change to guests in our restaurants. This enabled the purchase of carbon offsets to plant 100,000 fruit trees in developing countries.
Carbon-free	Our Marco Pierre White Steakhouse Bar & Grill in Nottingham was the first restaurant in the UK to run a
Christmas	'Carbon-Free Christmas' initiative, where a tree was planted for every customer who attended a Christmas
	party at the restaurant, enabling almost 2,000 trees to be planted.

## inspiring **HERO**

**Eric Zawid** volunteers for many causes including Opportunity Village, where Caesars volunteers operate the Magical Forest during holidays and the Job Discovery Program, bringing high special needs school students to Caesars Palace for job training. Eric has encouraged more than 1,000 colleagues to pledge time to the community each year.





Flamingo Las Vegas

TABLE OF CONTENTS **OUR CONTRIBUTION EMPLOYEES** COMMUNITIES REPORTING **ABOUT GUESTS** ENVIRONMENT

## **Investing for environmental savings**



Major retro-commissioning projects underway in 2014 at Nevada properties.

\$4.8 million

Committed investment in retro-commissioning projects in 2014.

\$1.2 million

Anticipated annual savings in energy and water as a result of retro-commissioning projects.

## INSIGHTS

From **ROB MORRIS**, Corporate Director of Utilities & Engineering

"As part of the many environmental initiatives we advance each year, retro-commissioning has become an essential approach that we are applying systematically throughout our properties to deliver major environmental as well as financial savings. We are conducting retro-commissioning studies with the intent to improve HVAC and building control system efficiencies in all of our properties including central operations, chilled and hot water distribution systems and the air systems

delivering conditioned air to spaces in the buildings. Retro-commissioning requires a professional, methodological investigation to improve and optimize building components and equipment sequences of operation as well as capital investment. However, the environmental benefits and economic returns make the effort worthwhile. In 2014, we initiated several retro-commissioning projects that will start to deliver environmental benefits and cost savings in 2015."



#### **Environmental efficiencies in our operations**

One of the ways we continue to improve our environmental footprint both in terms of energy, water and waste is through the ongoing efficiency of our laundry operations, a major focus for a hotel property company as large as Caesars. While we encourage our guests to avoid laundering items that they are willing to reuse, our daily laundry load is still around 24,000 lbs in Las Vegas alone. To optimize resources in Las Vegas, where we have the highest concentration of properties, we operate a 110,000 sq.ft. facility that processes all laundry (bedding, towels, restaurant linens and valet uniforms for more than 400 employees) using the most efficient systems possible. In fact, this is actually one of the largest laundry facilities in one building in North America.

# 90 million lbs

Annual weight of laundry in Las Vegas.

**250 lbs** 

weight of a typical laundry cycle at Caesars, compared to 120-125lbs in commercial laundries.

## INSIGHTS

From RAY ORTEGA, Director of Las Vegas Regional Laundry

"First of all, a long time ago we devised an efficiency strategy to use one shared laundry facility for all our Las Vegas properties. This required us to standardize the linens, bed sheets and everything else that needs to be laundered across all properties. This strategy enabled us to achieve massive economies of scale including more efficient transportation of laundry to and from our properties; more efficient use of

our laundry machines (we always work with full batches) and lower levels of detergents. It's one long uninterrupted workflow that achieves efficiencies around 25% higher than most other commercial laundries. We also use green detergents (all our suppliers deliver environmentally-preferred detergents) and other chemical products used in our laundering process."

## **Sustainability ratings for Caesars properties**

OUR CONTRIBUTION

Caesars adopts the Green Key Global Eco-Rating certification at all our hotels. Green Key is a leading environmental certification body with a suite of industry programs and resources for the lodging and meetings industries. The Green Key Eco-Rating Program is a graduated system designed to recognize hotels, motels and resorts that are committed to improving their environmental performance. Over 2,300 hotels participate in the program across the U.S. and internationally.

**ABOUT** 

The Green Key rating assesses the five main operational areas of a property, including corporate environmental management; housekeeping; food & beverage operations; conference & meeting facilities and engineering across the full range of responsible and sustainable practices. All hotel properties complete selfassessments that are selectively verified and audited randomly by third-party inspectors. At Caesars, in order to keep our finger on the pulse of environmental practices at each property, we

adopted the Green Key Eco-Rating program in 2013. The selfassessment covers 160 questions relating to different aspects of sustainable lodging and hospitality practices. Our trained CodeGreen teams at each property conduct the self-assessments, report results, and identify opportunities to improve.

ENVIRONMENT

By early 2015, all Caesars properties had maintained or achieved a Green Key Rating with 75% of properties achieving 4 Key ratings.

## **GREEN KEY ECO-RATING** AT CAESARS



- ▶ All 30 of our North American hotel properties are Green Key Rated in 2015
- ▶ 22 properties achieved a 4 Key rating out of the 5 Keys possible
- ▶ Caesars properties now make up more than 30% of Green Key rated hotels in Las Vegas
- Caesars has the most Green Key Eco-Rated properties of any gaming company in the U.S.

## A culture of CodeGreen

One of the most significant aspects of our success with CodeGreen over the years is the way we continuously engage employees in the course of their daily work. Our CodeGreen culture is supported by a program of structured leadership, awareness, education and communications, rigorous tracking of metrics and incentives and recognition for those who meet and exceed targets. Each property has a CodeGreen team with nine members representing different parts of the property operations and a detailed workplan and targets to achieve during the year.

Our tracking of CodeGreen performance is transparent to all our properties so they know what to do in order to achieve top CodeGreen performance and why it is important to keep striving for more. Code Green team members at our properties complete quarterly self-assessment audits and report the data. We track five key metric areas and create a quarterly scorecard for all properties.



OUR CONTRIBUTION

CODEGREEN ELEMENT	WEIGHTING	OBJECTIVE
Electricity	20%	Drive enterprise electricity savings to reduce environmental impact, cost and carbon emissions.
Natural Gas	15%	Drive enterprise natural gas savings to reduce environmental impact, cost and carbon emissions.
Water	15%	Drive enterprise water savings to reduce environmental impact and cost while preserving a scarce resource.
Waste	10%	Increase waste diversion and recycling to reduce environmental impact and cost.
Employees	20%	Engage employees to improve operational efficiencies and increase job satisfaction.
Customers	20%	Increase customer awareness to build brand value and increase loyalty.
Total possible score	100%	

In 2014, many properties made significant progress in key areas of CodeGreen though more remains to be done. Across our properties in 2014, we saw many breaking the 90% score barrier for different elements of CodeGreen, which encourages and inspires other properties to do better.

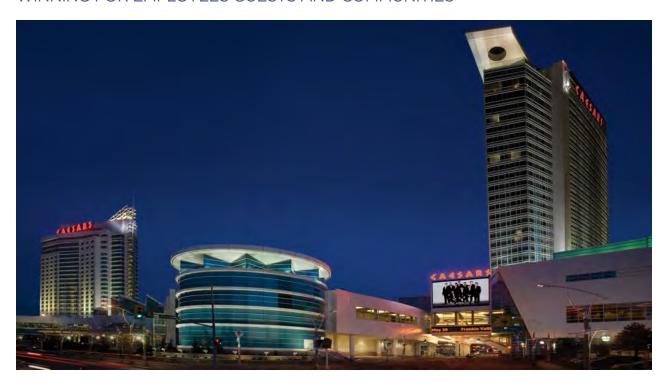
CODEGREEN TOP SCORES	PROPERTY	2014 SCORE
Top Overall	Harrah's Resort Southern California	71.9%
Top for Electricity	Harrah's Resort Southern California	82.1%
Top for Natural Gas	Harrah's Resort Southern California	92.7%
Top for Water	Harrah's Metropolis	95.2%
Top for Waste	Horseshoe Cleveland	92.4%
Top for Employees	Bally's Atlantic City	91.6%
Top for Customers	Harrah's Resort Southern California	95.7%

The key to making progress and achieving top performance is in the detail. It's the day-to-day behaviors of all our employees that deliver CodeGreen. While significant improvements can be achieved through investment in new equipment, the real inspiration of CodeGreen is the culture we have created and the commitment of all employees to taking personal responsibility for CodeGreen actions. Reinforcing initiatives such as our annual CodeGreen Challenge, our CodeGreen at Home program and the CodeGreen Leadership Bonus Program both incentivize and reward CodeGreen teams that deliver inspiring performance.

### The CodeGreen Challenge

In 2014, we continued our CodeGreen Challenge tradition of asking our properties to compete for companywide recognition by focusing on advancing awareness and engagement in our CodeGreen month between Earth Hour in March and Earth Day in April. Properties that apply for the challenge can earn a cash prize to support CodeGreen programs to help make further contributions to environmental sustainability. Involving and educating both employees and guests and buzzing up awareness through press and social media are key elements of the CodeGreen Challenge. In 2015, our overall winner was Caesars Windsor in Canada with the most comprehensive array of diverse and creative CodeGreen activities.

## **CAESARS WINDSOR CODEGREEN IN 2015** WINNING FOR EMPLOYEES GUESTS AND COMMUNITIES



Lightsaver Selfie Contest for employees with a focus on energy conservation.	Employee education week focusing on energy conservation and recycling.	Kaizen event for employees to learn how to improve recycling practices.	CodeGreen Education Week Information tables and videos in the employee dining room.	Presentation to employees from a Clean the World One project representative.
CodeGreen Dessert created by our culinary/ bakery team featured in our restaurant.	CodeGreen option for our hotel rooms with more than 2,000 guests opting in to save energy, water and recycle soap.	CodeGreen video played on the information channel in all the hotel rooms.	Earth Hour video added for the month of March on the information channel in hotel rooms.	E-waste appliances collection for employees, guests and the public achieving total weight of 5,870 lbs.
Community clean-up with neighboring residents covering sidewalks and streets.	River clean-up - employees collected 21 grocery carts from the river and other items for recycling.	CodeGreen hockey jerseys for employee volunteers to wear for community activities.	Employees participate in the local Earth Day tree planting event to plant 2,800 trees in the area.	

## INSIGHTS

## From **KELLY LAFOREST**, CodeGreen leader, Caesars Windsor

"Awareness is the key to achieving all our CodeGreen Goals. We communicate with our employees in all possible ways, through posters, communication board flyers, intranet panels, newsletter articles, employee dining room table toppers and more. We also create a great buzz on social media and this year our Facebook and

Twitter posts from Caesars Windsor reached more than 60,000 users. We are always thrilled to have an overwhelming response from our employees who love to participate in fun activities for a great cause. CodeGreen makes a real difference to our employees as well as to the local communities in our area."

#### MORE HIGHLIGHTS FROM CODEGREEN CHALLENGE PARICIPANTS:



**ABOUT** 

#### HARRAH'S AK-CHIN

- **>** Electric car giveaway competition, open to all guests.
- > Free viewing of Disney's Monkey Kingdom for employees, families and friends.
- > Adopt a highway clean-up event.
- **>** Environmentally friendly merchandise in the hotel gift shop.
- **Community Earth Day with park clean up, competitions and educational activities.**
- > Employee recycling event.

Earth Month at Ak-Chin involves everyone - employees, families, friends, and many guests. We all want to help save our planet."

-APRIL STOVALL, Harrah's Ak Chin CodeGreen leader

## **RIO ALL-SUITE HOTEL & CASINO**

- **>** Earth Hour viewing event on the rooftop of the VooDoo Lounge.
- > Wellness CodeGreen Day Farmers' Market attended by 900 employees.
- ▶ Home renovations for a senior from our Second Wind Dreams community partner including energy efficient lightbulbs and replacement of old furniture

"I am extremely glad to be in a position where I can increase participation and promote our commitment to the environment."

-AMANDA LAGUNAS, Rio Las Vegas CodeGreen leader





#### ATLANTIC CITY

- ➤ The three Caesars properties in Atlantic City shut off lights at Earth Hour for the 7th year in 2015.
- > Participation in Earth Day Festival at Atlantic County Utilities Authority (ACUA) attended by more than 7,000 people. We purchased 1,000 seedlings of herbs, vegetables and flowers to give away to visitors.
- > Placed a Green Ideas box in our employee area for the month of April.

"Our Earth Day participation in the ACUA festival is always a success because of our great HERO volunteers."

-LESETTE NIKKI JACKSON, Atlantic City Region CodeGreen team member

#### An hour for the Earth

Kicking off our CodeGreen Challenge activities, Earth Hour, a global initiative of the World Wildlife Fund, has been a tradition at Caesars resorts since we first took part in 2009. We continue to be amazed at the passion and creativity of our teams at

our properties around the country for the ways they engage colleagues and guests in promoting awareness of Earth Hour. Our properties go dark for Earth Hour, but many turn an hour into a month and continue special CodeGreen awareness and educational activities right through to Earth Day and beyond.

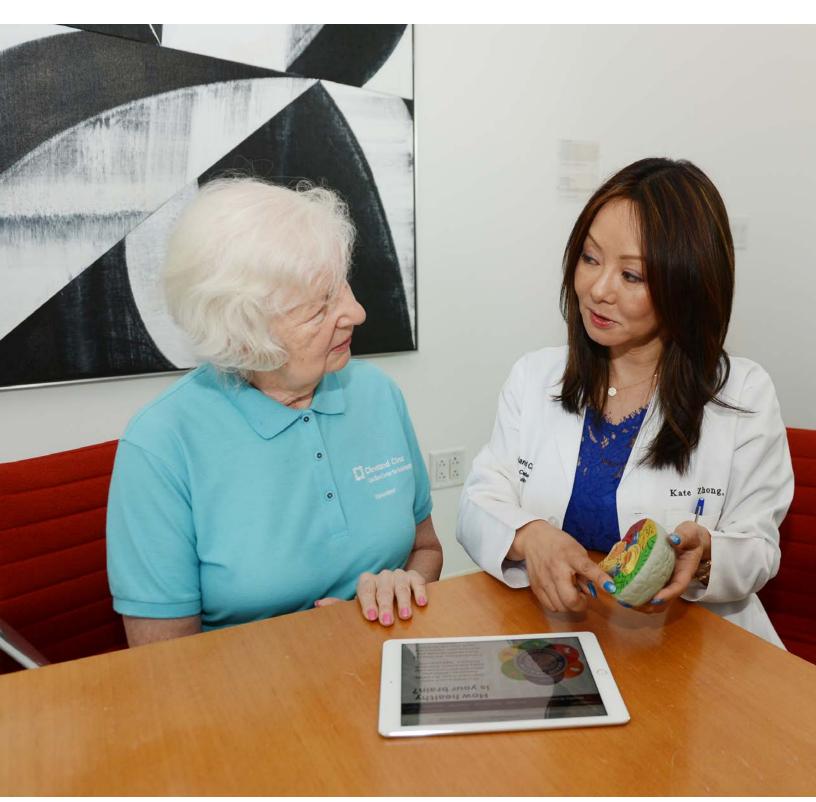


## Inspiring employees to go CodeGreen At Home

Since the start of the CodeGreen At Home in late 2010, Caesars has rewarded 500 winners over \$100,000 in benefits for completing environmental projects in their homes. In 2015, we asked employees to go even further by focusing on behavior changing highimpact areas and become CodeGreen At Home winners through energy, waste and water initiatives such as purchasing WaterSense or Energy Star certified appliances, or switching to shared or environmentally-friendly transportation to get to work. CodeGreen At Home is a win for employees, a win for the planet and a win for Caesars as we inspire our employees to share our commitment to environmental stewardship wherever they are.



# inspiring communities



A gift from the Caesars Foundation helped the Cleveland Clinic Lou Ruvo Center for Brain Health develop the Healthy Brains initiative. Kate Zhong, Senior Director of Clinical Research and Development for the Cleveland Clinic Lou Ruvo Center for Brain Health, exhibits the Brain Health Index to a patient.

Our communities inspire us! Our Code of Commitment reminds us that actively working to improve the quality of life in the communities where we live and work is "who we are" as a company. Whether it's fostering a long-term relationship with a local nonprofit organization or volunteering time in support of a single event, every effort makes a lasting difference. In 2014, Caesars launched HERO Stars, a quarterly initiative designed to honor individuals who bring our vision of community involvement and volunteerism to life. In addition, the impact of Caesars Foundation on a range of community causes continued in 2014 with more than \$70 million in cash giving to date. TABLE OF CONTENTS **OUR CONTRIBUTION EMPLOYEES** REPORTING ABOUT GUESTS ENVIRONMENT COMMUNITIES

## Caesars Foundation in its 13th year



Caesars Foundation is a private foundation established in 2002 and funded by a portion of operating income from resorts owned or operated by Caesars Entertainment. The Foundation is the entity through which Caesars funds charitable programs and projects of \$10,000 or more, and meets non-profit giving requirements in certain operating jurisdictions. The Foundation's objective is to strengthen organizations and programs in the communities where our employees and their families live and work, and to include our employees in volunteer efforts associated with the causes we support. The three main areas of focus for Caesars Foundation's strategic giving are: helping older individuals live longer, healthier, more fulfilling lives, marshaling our financial resources and the commitment of our colleagues to promote a more sustainable world and improving the quality of life in our operating communities.

## **COMMUNITY GIVING IN 2014**

**\$74.53 million** 

total community giving

199,127

hours volunteered in the community

\$2.9 million

gifted by the Caesars Foundation

#### PRIMARY COMMUNITY PARTNERS

Second Wind Dreams

Cleveland Clinic Lou Ruvo **Center for Brain Health** 

Meals on Wheels

Clean The World

**United Negro College Fund** 

**National Park Trust** 

**Opportunity Village** 

**National Center for Responsible Gaming** 

**Teach for America** 

"Our partnership with Caesars and the Caesars Foundation stretches back well over a decade, and one of the reasons it's been so successful is that there is alignment around our core organizational values. We all want to make a difference in reducing senior hunger and isolation and helping seniors live more fulfilling and nourished lives. Our collaboration with Caesars is characterized by a mutual level of trust, regular and open communication and a commitment to achieving the same goals.



Early on, Caesars and the Foundation appreciated that there was a lack of basic research about the extent of the issue of senior hunger in America. With Caesars Foundation's support, we were able to publish a foundational study—the first of its kind—that resulted in subsequent studies, helping to drive national attention and support for the hidden and growing epidemic of senior hunger in America.

In addition, the Caesars Foundation has provided 56 vans over our decades-long partnership to local Meals on Wheels programs. These vans have delivered millions of meals over millions of miles around the country, enabling seniors to remain independent in their own homes. What makes the difference with Caesars is that it is a sustained commitment—not just the flavor of the month—and this is felt throughout Caesars properties, where the dedication of local employees is immediately obvious."

-Ellie Hollander, President and CEO, Meals on Wheels America

## INSIGHTS

From THOM REILLY, Executive Director, Caesars Foundation

"In 2014, we continued to fund many of our long-standing partners as we have in the past: Second Wind Dreams, Meals on Wheels, United Negro College Fund (UNCF), Clean the World, Teach for America and others. With each of our partners, we make progress each year, improving and expanding our support where possible. With Clean the World, for example, through 2014 alone, our housekeepers collected more than 100,000 lbs. in bars of soap and toiletries from our U.S. properties for distribution to impoverished families. For the second year, we held a contest for housekeepers and hospitality staff to win a trip to visit with the recipients of the recycled soaps and hygiene kits provided by Clean the World. This year's visit was to the Dominican Republic, following a highly inspiring trip last year to the Philippines.

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In 2014, we confirmed a three-year commitment with an initial gift of \$200,000 to benefit the Cleveland Clinic Lou Ruvo Center for Brain Health. a state-of-the-art center with cutting edge clinical trials and treatment for conditions like Alzheimer's, Multiple Sclerosis and Parkinson's disease. Caesars Foundation supports the HealthyBrains initiative and our funding enabled the establishment of the Brain

Health Registry, an online tool for gathering information about brain health to assist research and clinical trials and provide valuable information to the general public about brain health. As the sole corporate funder of this initiative, we are helping make history in the field of medicine.

Another initiative in 2014 was our \$150,000 grant to AARP Foundation to assist funding a pilot project that will utilize tablet-based technology to assess older individuals' Supplemental Nutrition Assistance Program (SNAP) eligibility, and complete and submit applications to receive benefits. The pilot project began in January 2015 with Meals on Wheels programs.

**Employees at all Caesars properties are** involved in many different and creative ways through Caesars' HERO program. They play a significant role helping to fulfil dreams for elders through our association with Second Wind Dreams and also by taking on the role of instructors for a course for youths that we designed as part of our support for Teach for America. Employees also serve as mentors to youths, assisting them in preparing for jobs and careers in technical professions."

"I have spent my whole life working with Alzheimer's and can confirm that prevention starts with brain health. We want to do more to help individuals understand what to do to adopt lifestyle practices that maintain good brain health, as well as be able attract people to participate in research for the development of new medicines to improve brain health. Roughly 35% of the risk of Alzheimer's disease and other late life brain diseases can be reduced through lifestyle modifications, and education on how to accomplish this must be made more generally available and accessible. Our new initiative, the brain registry, addresses this need. We would not be able to maintain the brain registry without the support of Caesars and the Caesars Foundation. They are our sole partner in this enterprise and every dollar of funding is used to create a better future for many people."

-Jeffrey L. Cummings, MD, ScD, Camille and Larry Ruvo Chair for Brain Health, Neurological Institute; Director, Lou Ruvo Center for Brain Health, Cleveland Clinic, Las Vegas, Nevada

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#### More with Teach for America

Since 2010, the Caesars Foundation has given more than \$500,000 to support Teach for America (TFA), a national nonprofit focused on eliminating educational inequality in low-income areas. We "adopt" at-risk schools in the Las Vegas region, providing financial support from Caesars Foundation and volunteer activities in schools through our employees. In 2014, we partnered with TFA and our third school in the Nevada Region, Chaparral High School. Students at Chapparal include tens of student parents and a hundred homeless students. In order to provide specific support, we supported the Communities of Schools in Nevada in setting up a new curriculum to teach students hotel operations and catering and give them better job prospects after completion of their studies. 25 Caesars employees volunteered to teach this new program and 42 students have completed the course to date.

#### **Recognition from Goodwill**

The Caesars Foundation was delighted to be recognized in early 2015 by Goodwill Southern Nevada as the 2015 Hospitality Partner of the Year. Goodwill of Southern Nevada, Inc. is a non-profit organization whose mission is to provide education, employment and training for people with disabilities and other barriers to employment, and to maximize the quality of life for each individual served.

## The Civic 50 - Recognition for our community commitment

We were thrilled to be recognized as one of America's most community-minded companies in The Civic 50, an annual initiative that recognizes companies for their commitment

to improve the quality of life in the communities where they do business. Points of Light, the largest organization in the world dedicated to volunteer service conducted the



survey in partnership with Bloomberg LP. All companies with \$1 billion in revenue or more are invited to apply for The Civic 50 against a rigorous assessment process that takes into account four key aspects of civic contribution: Investment, Integration, Institutionalization and Impact.

Caesars Entertainment was awarded first place as the most community-minded consumer discretionary company in America, noting our integration of community engagement in the way the we do business; responsible gaming as a core business value; our sensitivity to the environment; the investment of employee time and contributions to nonprofit organizations; investment in employee health and wellness; and driving economic development in the communities where Caesars operates.

"Corporate civic engagement is on the rise and it's being led by the forward-thinking businesses included on The Civic 50 list. The correlation their efforts showcase between community engagement and employee retention, productivity and overall bottom-line benefits continues to prove that businesses that do good, do well."

-Neil Bush, Chairman of Points of Light

#### THE CIVIC 50: FOUR DIMENSIONS OF CONTRIBUTION

Investment:	Extent of resources for community engagement, including employee time and skills, cash, in-kind giving and leadership.	
Integration:	Degree of integration of community engagement into core business functions.	
Institutionalization:	Institutional policies, systems, and incentives underpinning community engagement.	
Impact:	Measurement of the social and business impact of community engagement.	

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## **Inspire with Caesars Code Rewards**

We are always looking for innovative and fun ways to engage our employees around our CodeGreen strategy. In 2013, we piloted a Practically Green initiative at four properties to reinforce existing CodeGreen programs and create engagement at the individual employee level among the majority of our workforce with no dedicated work computer or email accounts. We did this through a new technology-based platform created by WeSpire that engages employees through online participation in fun projects they select. Our initial pilot focused on encouraging

environmentally friendly activities at work and at home. Following a highly successful experience in 2013, in 2014, we expanded access to the rebranded Caesars Code Rewards platform to employees at six additional properties, broadened the scope to include community activities and integrated participation more closely with our Total Return recognition program for employees. so that every time they deliver their social and environmental commitments, they not only support our Code of Commitment. they earn tangible benefits for themselves and their families.

Though our employe engagement program in the year ending March 2015, employes performed more than 100,000 separate actions resulting in significant financial and environmental savings.

## **ENVIRONMENTAL SAVINGS**

total employee savings in home environmental projects

2.0

million gallons of water saved

84.258

lbs waste recycled

1\_6

million carbon emissions avoided

MWh electricity saved

## MOST POPULAR **COMMITMENTS**

**Install programmable** thermostat

Upgrade vehicle fuel economy to 37 MP or higher

Buy a pre-owned car

Eat a vegetarian meal

Walk to work this week

"WeSpire is a technology company founded with a mission and a belief that social and game mechanics inspire people to make more positive choices at work, at home and in the community. We work with large companies behind the scenes to power their engagement platforms for their employees. We leverage the power of employee social networks to inspire positive action and drive an exponential uptake in employee actions to support environmental and social goals.

When we started working with Caesars, it was on a modest scale at two properties to support CodeGreen environmental practice to engage employees at work and at home. One of the great things about this is that, from the outset, Caesars invested in the platform not only to support business objectives but also to help employees gain benefits in their homes. This value to the employee was paramount in the thinking at Caesars and we believe it's also one of the reasons the program has been so successful so far."

-Susan Hunt Stevens, Founder and CEO, WeSpire

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## **Inspiring HEROs**

Our HEROs program enables, encourages and empowers employees to be leaders in the communities where we serve. Every single Caesars Entertainment property maintains community engagement initiatives and we are continuously overwhelmed by the passion, creativity, dedication and generosity of our employee HEROS. In 2014, we achieved almost 200,000 hours of total reported volunteering, the highest we have ever recorded. It seems that, the more employees do, the more they are inspired to do.

In 2014, we launched a new Recognition Program for our HEROs, encouraging their managers and those they serve in the community to recommend their HERO for recognition in a quarterly program. Recommendations are judged by an internal team who considers both the commitment to the causes





REPORTING

supported and also the tangible outcomes to society of the HEROs' involvement. So far, the program has yielded 7 HERO Stars – look for them and their stories in brief on the pages of this report.

#### A HERO with a world record

At Caesars UK, Frank Adamson, Croupier at The Casino at the Empire in London's Leicester Square, became our first HERO to crack a Guinness World Record for charity. Frank volunteered to challenge the record of 48 hours of continuous dealing roulette, and achieved an amazing 53 hours 48 minutes in November 2014, breaking the existing record in a big way. This impressive initiative raised more than \$5,000 for Frank's chosen cause, the reconstruction of key buildings at the Great Ormond Street Children's Hospital in London.

"This event was really important to me. The dedicated nurses and doctors at the Great Ormond Street Children's Hospital saved my son's life four years ago when he was born prematurely. Since then I have been very involved in supporting the hospital. The idea for the roulette deal to break the Guinness World Record was not only a way to raise money for the hospital which is in dire need of reconstruction, but also a way to promote awareness and gain some publicity for the hospital and the great work that's done there. The support I have had from Caesars has been overwhelming. I have been in the casino business for 21 years, and at Caesars for the past 7, and I have never experienced such a passion for supporting the community and such generosity and solidarity from my colleagues. I love my iob even more because of this."

-Frank Adamson, Croupier, Caesars Entertainment UK



**ABOUT** 

## **HEROs supporting breast cancer research**

Each year during the month of October, our properties host a month of Breast Cancer Awareness activities to call attention to breast cancer and women's health issues and raise funds for cancer research. Many properties take part in our cancer awareness month, organizing fun events for employees and guests that educate about breast cancer, honor lost loved ones. and raise funds, coloring everything pink - valet uniforms, poker table felts, golf balls, balloons and some of our staff even color their hair pink! A key event at most properties is the highly anticipated annual Battle of the Bras event in which senior managers model creative and wacky bras designed by Caesars employees. This year the Caesars Corporate team and Las Vegas resorts raised \$50,000 for the American Cancer Society through Battle of the Bras and Relay For Life events. Overall, we contributed and raised over \$100,000 for cancer research from our 2014 Breast Cancer Awareness month.

In Canada, Caesars Windsor team members again participated in the annual International Dragon Boats for the Cure with nearly 80 HERO team members volunteering more than 900 hours over the course of the event including preparing a barbeque lunch spread created by the property's culinary department on race day. Three Caesars Windsor employee teams participated in the Dragon Boat races. Together, the Caesars Windsor teams raised more than \$28,000 for local cancer research, contributing to a total \$200,000 raised by all participants.

## **HEROs supporting seniors**

In 2014 we held our inaugural Senior Appreciation Month, encouraging our HEROs to be at their most creative and energetic and compete for an award among our properties around the U.S. Almost all our properties participated as part of a regional effort or as a single property. We judged the entries for the level of commitment they demonstrated, the measurable impact on beneficiaries and the degree of alignment with our strategic focus on aging and health and wellness in our community involvement activities. The three winning entries received a total of \$10,000 to donate to social organizations of their choice.

Properties in the Las Vegas Region took first place with a series of events during the month in partnership with Meals on Wheels America and Second Wind Dreams. The initiatives included:

- > Delivering 800 personalized Mother's Day Cards to Catholic charities who delivered to Meals on Wheels.
- Inviting more than 175 seniors from ten assisted living facilities or nursing homes and their caregivers to ride the High Roller for free in a special day event. HEROs served as greeters, tour guides and transportation assistants.
- > Repairing a senior's home including replacing kitchen blinds, flooring, upgrading an air-conditioning unit, providing energy-efficient light bulbs, patching, painting and cleaning throughout the home and modernizing electrical appliances.
- > Celebrating Mother's Day at an assisted living facility with personalized cards and a Bingo game with prizes donated by HEROs.
- > Refurbishing a rehab facility with furniture and plants, and full painting and decorating.
- > Several food, pet food and cash donation initiatives.



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## Inspiring customers to support our communities

Our overall commitment to our communities is expressed in multiple ways across diverse platforms including our Caesars Foundation, our employee HERO efforts and our brands, involving our guests and customers. Both our WSOP and our National Meetings & Events teams create regular opportunities to inspire our customers to support our communities.

#### Poker for water

The 45th annual World Series of Poker (WSOP) in 2014 welcomed a record 82,360 poker enthusiasts from 110 different countries. This year marked the 10-year anniversary of WSOP at Caesars. ten consecutive years of generating a total prize pool in excess of \$100 million. But WSOP is not known for poker and prizes alone. It is also known as a brand that is committed to raising funds to make our world a better place. Since 2012, WSOP has partnered with the ONE DROP, a non-profit organization that works to make clean water accessible to all. The WSOP - ONE DROP alliance encourages all players in any WSOP event to donate one percent of their winnings to ONE DROP. Since 2010, poker players have voluntarily donated more than \$12 million of their winnings from

our WSOP events to support ONE DROP's critical efforts, directly impacting the lives of over 100,000 people in Central America, West Africa and India. Of this sum, more than \$5.2 million was raised in 2014 alone though three WSOP campaigns for ONE DROP.

### **Conventions for hunger relief**

In 2014, our National Meetings & Events team brought representatives of 150 customers together in an annual gathering in Atlantic City to learn more about our new Harrah's Atlantic City Waterfront Conference Center, which opened in September 2015. But this gathering wasn't just about business. During the event, Caesars team members and meeting patrons came together to pack 1,500 boxes of emergency food and supplies for the Community Food Bank of New Jersey, making around 6,000 meals available to local families who visit the Food Bank. This is the second year that the National Meetings & Events team inspired customers to engage in community activity as part of our Caesars Educational Experience, proving that business and social contribution go hand in hand.



"The Caesars Educational Experience is about bringing buyers to the market and having them get to know us and how we do business. Community service is part of who we are at Caesars, and we connect so much more deeply with our customers through shared community service. At our events, customers see how we're different from our competitors, as well as how we treat our employees and the community."

-Michael Massari, Senior Vice President for National Meetings and Events



## inspiring **HERO**

**Stephanie Fajkus** rallies property participation for Caesars' annual Battle of the Bras in support of breast cancer awareness and research, entertains nursing home residents with caroling groups during the holidays, participates in Salvation Army "Adopt an Angel" program, and much more!





someone smiles today." I look at it each day in my office and use it think about what I could do to give back.
With the all negative happening in world around us a smile can make all the difference."

Stephanie Fajkus, Employee Relations Representative at North Kansas City Casino & Hotel TABLE OF CONTENTS **ABOUT OUR CONTRIBUTION EMPLOYEES** COMMUNITIES GUESTS ENVIRONMENT REPORTING

# Governance, Compliance and Reporting

As an entity that conducts business in the highly-regulated gaming industry, Caesars and our licensed affiliates and subsidiary entities are subject to the laws, regulations, policies and procedures required by various regulatory agencies. As with all gaming licensees, we are subject to disciplinary actions in the various jurisdictions. Should instances of non-compliance arise, we take all appropriate steps to mitigate and correct such incidents and to prevent recurrences. Information relating to disciplinary actions imposed by the various gaming regulators is generally made public. We aim to maintain a culture and practice of uncompromising compliance wherever we operate.

## **Compliance and risk management**

To support this, we maintain an extensive compliance organization headed by our Chief Regulatory and Compliance Officer who oversees a network of fully trained compliance staff throughout the organization, including a Compliance Officer at each Caesars property. Our corporate compliance team continually communicates with property and regional compliance officers, and monthly meetings are held with all lead Compliance personnel to address potential risks and challenges.

While continuing to embed new compliance infrastructure implemented in 2013, such as a revised compliance policy and a newly established compliance committee, made up of external, independent individuals, in 2014 we went a step further with a focus on increasing the robustness of our controls and active management of risk in the area of anti-money laundering. We developed and adopted a new corporate anti-money laundering policy and program and hired a full-time senior management team member to dedicate his time to ensuring this policy is embedded in the business through risk assessments, communications and training for all relevant staff.

More details about compliance, regulatory risks and governance structure can be found in our annual filing to the SEC (Form 10K) available on the Caesars website.

"Our work in the area of compliance continues to consume much of management attention and practice. We are constantly assessing current practices and adapting or revising those practices to ensure robust controls and preventive policies to address compliance with existing legislation and we are early adopters of new regulation affecting our industry. This is not only corporate citizenship, it is our license to operate and we cherish it."

-Lisa Rankin, Director, Regulatory & Corporate Compliance

## **Our reporting**

#### **About this report**

This is our sixth annual Corporate Citizenship Report and it describes our impacts on society and the environment. It outlines the way our business activities in 2014-2015 inspired citizenship that delivered economic and social benefits for employees, guests and communities while advancing environmental stewardship. In all cases, quantitative data relates to the 2014 calendar year

unless otherwise stated. Examples of practice also include stories from the early part of 2015.

This report is written in accordance with the Global Reporting Initiative G4 guidelines, core option. The Global Reporting Initiative (GRI) guidelines represent the most widely-used corporate citizenship and sustainability reporting framework in the world today. G4 is the most recent version of the guidelines. TABLE OF CONTENTS OUR CONTRIBUTION **GUESTS EMPLOYEES** COMMUNITIES ABOUT ENVIRONMENT

published in 2013. This is Caesars Entertainment's second report using the G4 guidelines.

In developing this report, we used extensive stakeholder feedback gathered from our multiple interactions with stakeholders. In 2013, we defined our most significant material impacts and created our materiality-based report structure in alignment with the GRI G4 reporting principles. These principles are: materiality (the issues most important for our long-term business growth and which are of most importance to stakeholders), stakeholder inclusiveness (responding to stakeholder expectations and interests), sustainability context (presenting our performance

in the wider context of sustainability issues) and completeness (inclusion of all the information which reflects significant economic impacts to enable stakeholders to assess our performance). For this 2014 report, our executive management reviewed and retained the same materiality framework to guide our report content, based on an internal assessment of updated feedback from stakeholders where available and ongoing consultation with stakeholders and sustainability experts.

REPORTING

We welcome your feedback and invite you to send comments to: sustainabilityfeedback@caesars.com

## INSIGHTS

### **GWEN MIGITA**, Vice President, Sustainability and Corporate Citizenship

"Reporting has multiple roles. First, it serves as a way to inform our stakeholders, especially regulatory bodies and State legislators about who we are and how we do business. Reporting helps show them all in a concise way that we take accountability for the things that matter to them. Secondly, reporting serves a similar purpose for our employees, suppliers and communities. Not everyone sees the full scope of our impact on society. A Citizenship Report is a way to keep everybody in the picture including aspects of our business they would not normally be aware of through regular communication channels. Finally, reporting helps keep us on track with our citizenship goals. It's a kind of management tool to ensure we stay focused on our targets and what matters to our stakeholders.

We like to be at the leading edge of everything we do - whether that's responsible gaming, employee wellness or Total Rewards for customers. G4 is considered the leading framework worldwide so we were compelled to adopt G4 as soon as it was released in 2013. For the same reasons we have collaborated with the Sustainability Accounting Standards Board

(SASB) to help develop a reporting framework for ESG disclosures as part of financial reporting and we are considering how to adapt our reporting approach to encompass SASB requirements.

We have much interest in our report from individuals across many sectors and also our owners - both TPG and Apollo Global Management - engage with our reporting and use our data for their group tracking of sustainability information. We have presented our reports to the TPG ESG team, for example, describing our reporting practices and approach. Our teams in regulatory and government affairs use our report all the time when discussing possible developments for the industry. In addition to our full report, we also present detailed fact

sheets for each U.S. State where we do business, containing locally relevant information. These fact sheets are used in discussions with local city officials, community leaders and local business partners."

# **GRI** content index

## **GENERAL DISCLOSURES**

G4	GENERAL STANDARD DISCLOSURE	PAGE/LINK	EXTERNAL ASSURANCE		
G4-1	CEO statement.	Welcome from Mark Frissora, page 4.	None		
G4-3	Name of reporting organization.	About Caesars Entertainment, page 5.	None		
G4-4	Primary brands, products, and services.	About Caesars Entertainment, page 5.	None		
G4-5	Location of the organization's headquarters.	One Caesars Palace Drive Las Vegas, NV 89109, U.S.	None		
G4-6	Countries of operation.	About Caesars Entertainment, <u>page 5.</u>	None		
G4-7	Nature of ownership and legal form.	Caesars Entertainment Corporation is a Delaware corporation, and primarily conducts its business through a wholly owned subsidiary, Caesars Entertainment Operating Company, Inc.	None		
G4-8	Markets served.	About Caesars Entertainment, page 5.	None		
G4-9	Scale of the organization.	About Caesars Entertainment, page 5.	None		
G4-10	Total number of employees broken down by contract and gender and employment type, and supervised workers.	GRI Content Index, page 81.	None		
G4-11	Percentage of total employees covered by collective bargaining agreements.	38% at end 2014 of permanent full—time employees based in the U.S.	None		
64-12	Description of the supply chain.	Caesars is a service industry and our supply chain is comprised primarily of tens of thousands of suppliers of products and services required to serve our guests in our diverse entertainment properties. We maintain a complex inflow of diverse goods and services ranging from furniture fixtures and equipment, food and beverages, transportation and IT, communications and other technology support systems. Our supply base is almost entirely local to the country of operation and in many cases, local to a specific state within the U.S. for U.S. properties. All guest services are delivered at our locations.	None		
G4-13	Significant changes during the reporting period.				
G4-14	How the precautionary approach or principle is addressed by the organization.				
G4-15	External economic, environmental and social charters, principles, or other initiatives.	Responsible Gaming, page 37.	None		

ABOUT

G4-16	Memberships of associations maintained at	We are members and hold governance positions in several	None
	the organizational level.	organizations and institutions in the gaming sector, and as part of our charitable activities. See GRI Content Index, page 84 for a selection of key current positions.	
G4-17	Entities included the report.	See our FORM 10-K (Annual Report) filed 03/15/13 for the Period Ending 12/31/12 pages 28-29, available at www.caesars.com Data in this report includes all our U.S. properties unless otherwise noted.	None
G4-18	Process for defining the report content and the Aspect Boundaries.	About this report <u>page 76.</u>	None
G4-19	Material Aspects identified in the process for defining report content.	GRI Content Index, page 83.	None
G4-20	Aspect Boundary within the organization.	All Material Aspects selected in this report apply equally to our all of our operations and entities in the U.S. as listed in G4-17. The table at GRI Content Index, page 82 shows whether the impacts occur internally or externally for each material Aspect.	
G4-21	Aspect Boundary outside the organization.	See G4-20	None
G4-22	Effect of any restatements of information provided in previous reports.	Energy and emissions data has been restated retroactively reflecting changes in property operational control, in line with the GHG Protocol methodology.	None
G4-23	Significant changes from previous reporting periods.	There is no significant change from previous reporting in the scope and Aspect Boundaries of this report.	None
G4-24	List of stakeholder groups engaged by the organization.	The primary stakeholders with whom we engage are: guests, employees, local community and environmental organizations, regulators at federal and state level, business partners and suppliers and shareholders.	None
G4-25	Basis for identification and selection of stakeholders with whom to engage.	The basis for selection of stakeholders is management judgment based on interaction and feedback from all stakeholder groups during the year.	None
G4-26	Approach to stakeholder engagement.	Our approach to shareholder engagement is ongoing - we survey our employees and guests frequently and at least annually, we engage with regulators in different states on an almost weekly basis on different issues, and we work with community and environmental organizations closely, meeting as needed with every new or changing project or campaign. For the purpose of this report, we did not conduct further specific consultation.	None
G4-27	Key topics and concerns that have been raised through stakeholder engagement.	The key topics that stakeholders raised are reflected in the material issues we have chosen to report this year. See GRI Content Index, page 84.	None
G4-28	Reporting period.	Calendar year 2014 for all quantitative data. Stories from early 2015 where relevant.	None
G4-29	Date of most recent previous report.	2014	None
G4-30	Reporting cycle.	Annual	None
G4-31	Contact point for questions.	We welcome feedback on this report and on our CSR and sustainability performance. Please send comments to: sustainabilityfeedback@caesars.com	None
G4-32	The 'in accordance' option the organization has chosen, content index and assurance.	About this Report, page 73.	

G4-33	Policy and current practice with regard to seeking external assurance for the report.	Caesars has sought external independent verification of energy consumption and carbon emissions from an independent consultant who maintains no other relationship with our company. The selection of the assurance provider was approved by a senior executive at Caesars without direct involvement of our highest governance body. We have not sought external assurance for other disclosures in this report.	None
G4-34	Governance structure of the organization.	See our website: Corporate Governance for details of our governance structure and Board committees: <a href="http://investor.caesars.com/governance.cfm">http://investor.caesars.com/governance.cfm</a> At Executive Level, an Environmental, Social and Governance (ESG) Council is led by senior managers to drive citizenship strategy and programs.	None
G4-56	The organization's values, principles, standards and norms of behavior.	Mission, vision, values, <u>page 6</u> .	None

## SPECIFIC DISCLOSURES

SPECIFIC STANDARD DIS	CLOSURES - DI	SCLOSURES ON MANAGEMENT APPR	OACH (DMA) AND PERFORMANCE IN	DICATORS	
MATERIAL ASPECTS ( G4-19)	DMA AND INDICATORS	INDICATOR DETAIL	PAGE / LINK	OMISSIONS	EXTERNAL ASSURANCE
CATEGORY: ECONO	МІС				
Economic Performance	G4-EC1	Economic value	Inspiring a positive contribution to society page 13.		None
Indirect Economic Impacts	G4-EC8	Indirect economic impacts	Inspiring a positive contribution to society page <u>11-24</u> .		None
CATEGORY: ENVIR	ONMENT				
Energy	G4-EN3	Energy consumption (Scope 1+2)	GRI Content Index, page 84.		LINK
	G4-EN5	Energy intensity	GRI Content Index, page85.		None
Water	G4-EN8	Water withdrawal by source	GRI Content Index, page 85.		None
Emissions	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	GRI Content Index, <u>page 85</u> .		<u>LINK</u>
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	GRI Content Index, page 85.		<u>LINK</u>
	G4-EN18	Greenhouse gas (GHG) emissions intensity	GRI Content Index, page 85.		None
Effluents and Waste	G4-EN23	Waste by type and disposal method	GRI Content Index, page 86.		None
CATEGORY: SOCIA	L. SUB CATE	GORY: LABOR PRACTICES	AND DECENT WORK		
Employment	G4-LA1	New employee hires and employee turnover.	GRI Content Index, page 86.		None
Occupational Health and Safety	G4-LA5	Workforce represented in formal joint management-worker health and safety committees	100% of employees are represented in management—worker health and safety committees. Such a committee is in place at each of our properties.		None
	G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, absenteeism and fatalities,	GRI Content Index, page 87.	Absenteeism rates are not available.	None
Training and Education	G4-LA9	Training per year per employee	Training and development, page 46.	Training is not split by gender	None

	G4-LA10	Programs for skills management and lifelong learning	Training and development <u>page</u> <u>45.</u>	None
	G4-LA11	Percentage of employees receiving regular performance reviews	100% of employees receive regular performance reviews.	None
Diversity and Equal Opportunity	G4-LA12	Breakdown of employees per employee category according to gender, age group, minority group membership	GRI Content Index, page 88.	None
CATEGORY: SOCI	AL. SUB CAT	EGORY: SOCIETY		
Local Communities	G4-S01	Local community engagement, impact assessments and development programs	100% of our operations in the U.S. maintain locally implemented engagement programs.	None
Anti-corruption	G4-S04	Communication of the organization's anti-corruption policies and procedures.	GRI Content Index, page 89.	None
CATEGORY: SOCI	AL. SUB CAT	EGORY: PRODUCT RESPONS	SIBILITY	
Product and Service Labeling	G4-PR4	Incidents of non-compliance with regulations and voluntary codes concerning product and service information	Responsible Gaming <u>page 38</u> .	None
	G4-PR5	Results of surveys measuring customer satisfaction	Total Rewards, <u>page 34.</u>	None
Marketing Communications	G4-PR6	Sale of banned or disputed products	Responsible Gaming, page <u>37-38</u> .	None
	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications	No incidents relating to marketing communications non-compliance.	None
Customer Privacy	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Zero substantiated complaints.	None
Compliance G4-PR9 Significant fines for non- compliance with laws and regulations concerning the provision and use of products and services.		Zero significant fines.	None	

## **G4-10 EMPLOYEES AND WORKFORCE**

		2012			2013			2014	
LOCATION	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
U.S.	30,486	29,889	60,375	28,930	28,902	57,832	28,218	28,213	56,431
Canada	1,275	1,783	3,058	1,209	1,380	2,589	1,758	1,277	3,035
UK	717	924	1,641	706	924	1,630	683	903	1,586
Rest of World	905	1,208	2,113	254	581	835	505	259	764
Total	33,383	33,804	67,187	31,099	31,787	62,886	31,164	30,652	61,816

Note: Data includes full time, part time and oncall employees

TABLE OF CONTENTS **ABOUT OUR CONTRIBUTION** GUESTS **EMPLOYEES** COMMUNITIES ENVIRONMENT REPORTING

#### U.S. WORKFORCE BY EMPLOYMENT TYPE AND GENDER

		2012			2013			2014	
CONTRACT TYPE	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Permanent full time	24,233	25,206	49,439	24,336	25,800	50,136	23,822	25,194	49,016
Permanent part time	4,739	3,216	7,955	4,594	3,102	7,696	4,396	3,019	7,415
OnCall (part time)	1,514	1,467	2,981	1,638	1,536	3,174	1,395	1,143	2,538
Supervised workers	1,164	1,353	2,517	1,164	1,353	2,517	1,198	1,323	2,521
Total	31,650	31,242	62,892	31,732	31,791	63,523	30,811	30,679	61,490

#### Notes:

- · Caesars global workforce includes permanent, full-time and part-time employees at properties owned and operated by Caesars around the world.
- · Supervised workers are the entire workforce of our Cherokee properties in the U.S. which are managed by Caesars.
- Independent, self-employee are not included, as they are considered "suppliers" not employees. However, this represents only a small number of individuals in exceptional cases.
- On-call employees represent a pool of workers who are available to report for work at short notice, but remain on our payroll on an indefinite basis. This pool of employees assists in managing peak requirements, occasionally affected by seasonal surges, but not necessarily. On-call employees work as needed and as possible, which may amount to a few days every few months, or several days each month, and are remunerated accordingly. They are not included in our permanent workforce detailed data.

#### **G4-16 MEMBERSHIP OF ASSOCIATIONS**

These are a selection of external positions held by Caesars executives. Managers throughout the organization are active in many other voluntary positions.

#### Mark Frissora: President and Chief Executive Officer

- · Director, Walgreens Boots Alliance
- · Director, Delphi Automotive plc.
- · Member, McKinsey's CEO Advisory Council

#### Tom Jenkin: Global President

- · Board of Directors of the Nevada Resort Association
- Board of Directors for the Las Vegas Convention and Visitors Authority
- Board of Directors for Las Vegas Events
- Board of Directors Opportunity Village Foundation Board
- · Board of Directors, Olive Crest

## Jan Jones Blackhurst, Executive Vice President of Communications, Government Relations and Corporate Responsibility

- Member of the Women's Leadership Board at the Kennedy School of Government.
- · U.S. Chamber of Commerce. Board Member
- Board of Directors of the Global Fairness Initiative
- Board of Directors Senior Vice Chair Public Education Foundation (Nevada)
- Board of Directors Nevada Public Radio (KNPR)

#### Tariq M. Shaukat: Executive Vice President and Chief Commercial Officer

- · Board of Directors of Three Square Food Bank
- Board of Directors The Smith Center for Performing Arts in Las Vegas

## G4-19, G4-20 AND G4-21 MATERIAL ASPECTS AND ASPECT BOUNDARIES

Caesars Material Issue	G4 Category	G4 Material Aspects	Material within the organization	Material external to the organization	Relevance outside the organization	Specific Standard Disclosures
A commitment to responsible conduct	Social	Anti-corruption		•	This is important for our guests and communities, and all who interact with Caesars Entertainment. Ourresponsible conduct has an impact on the entire industry and in the communities where we operate.	G4-S04
Creating memorable experiences for our guests	Product Responsibility	Product and Services Labelling; Customer Privacy		~	This Aspect applies to all guests visiting our properties in the U.S. We entertain over 75 million guests per year throughout the U.S.	G4-PR3, G4-PR4, G4-PR5, G4-PR6
Responsible Gaming	Product Responsibility	Marketing Communications; Compliance		V	This Aspect applies to all the communities in which we operate. Responsible Gaming is an important element of healthy communities. Our guests, as well as regulators in all U.S. States where we maintain a gaming license, are also affected by our approach to responsible gaming.	G4-PR6
Positive economic contribution	Economic	Indirect Economic Impacts		•	This is important to the individuals and communities surrounding our casino and entertainment properties, as we aim to make a positive value contribution wherever we operate.	G4-EC1, G4-EC8
Supporting local communities	Social	Local Communities	V	~	This is important to the individuals and communities surrounding our casino and entertainment properties, as we aim to help create vibrant communities wherever we operate. It is also a critical factor in attracting and retaining employees, and therefore has an internal impact as well.	G4-S01
Health and wellness	Labor Practices	Occupational Health and Safety	V		Maintaining a responsible workplace	G4-LA6
Diversity and inclusion	Labor Practices	Diversity and Equal Opportunity	de or		determines the direct impacts we have on tens of thousands of employees and	G4-LA12
Great place to work	Labor Practices	Employment			- their families.	G4-LA12
Reducing energy consumption	Environment	Energy			Energy management and reducing greenhouse gas emissions are an Important element in addressing - climate change, and these material aspects are	G4-EN3, G4-EN5
Minimizing carbon emissions	Environment	Emissions			relevant in all the areas where we maintain properties as part of our commitment to environmental stewardship.	G4-EN15, G4-EN16, G4-EN18

## **G4-27 KEY TOPICS RAISED BY STAKEHOLDERS**

Risk management

There is no material difference in feedback received in 2014 from prior years.

TOPICS AND CONCERNS RAISED THROUGH STAKEHOLDER ENGAGEMENT						
STAKEHOLDER GROUP	TOPIC	ADDRESSED WITHIN THIS REPORT				
	Great service and value	Inspiring guests				
Guests	Sustainable practices in our properties and events	Inspiring environmental stewardship				
	Privacy of personal information	Total Rewards				
	Inclusion of different groups and needs	Inspiring guests				
	Personal development	Inspiring employees through growth and development				
Employees	Fair and competitive benefits	A culture of engagement				
	Equal opportunity	Inspiring a diverse and inclusive workplace				
	Support for local causes	Inspiring communities				
Community organizations	Capacity building	Inspiring communities				
	Resource conservation, including water	Inspiring environmental stewardship				
Demulatore	Compliance with responsible gaming regulations	A commitment to Responsible Gaming				
Regulators	Training for employees in responsible gaming	A commitment to Responsible Gaming				
Doubness and constitues	Collaboration and long-term relationships	Positive contribution in our supply chain				
Partners and suppliers	Ethical and honest behavior	Compliance training				
	Positive economic return	Our contribution				
Shareholders	Ethical conduct	Compliance and risk management				

## **G4-EN3 ENERGY CONSUMPTION**

TOTAL FUEL CONSUMPTION FROM NON-RENEWABLE SOURCES									
ENERGY CONSUMPTION	UNITS	2007	2008	2009	2010	2011	2012	2013	2014
Electricity	MWH	1,489,821	1,435,996	1,411,102	1,384,258	1,357,414	1,349,307	1,352,674	1,357,702
Natural Gas	MMBTU	3,303,000	3,279,029	3,243,265	3,188,255	3,133,245	3,041,745	3,134,002	3,111,002
Steam	MMBTU	422,701	394,040	398,451	376,188	353,924	361,007	424,513	427,425
Chilled Water	MMBTU	715,400	682,500	646,601	647,269	647,937	633,078	586,219	586,986
Propane	Gallons	622,059	556,906	539,674	525,914	512,155	496,154	510,562	620,922

## **ELECTRICITY, HEAT, COOLING AND STEAM IN 2014**

	GJ
Electricity	4,887,727
Heat	3,342,066
Purchased steam	563,700
Purchased cooling	123,267
Total	8,916,760

TOTAL	<b>ENERGY</b>	FROM ALL	
CALIBA		CA IOIII EC	

SOURCES IN GIGAJOULES	2007	2008	2009	2010	2011	2012	2013	2014
	9,615,811	9,345,783	9,215,055	9,029,831	8,844,607	8,723,565	8,908,325	8,916,760
	N/A	-2.8%	-1.4%	-2.0%	-2.1%	-1.4%	2.1%	0.1%

Compliance and risk management

## **G4-EN5 ENERGY INTENSITY**

	2007	2008	2009	2010	2011	2012	2013	2014
Total energy use in gigajoules per air conditioned 1,000 sq ft	200.69	187.85	184.33	173.97	164.35	158.77	160.64	157.85
Percentage change from prior year	N/A	-6.4%	-1.9%	-5.6%	-5.5%	-3.4%	1.2%	-1.7%
Cumulative change from baseline year 2007	N/A	-6.4%	-8.2%	-13.3%	-18.1%	-20.9%	-20.0%	-21.3%

#### Notes to energy data:

- Data is for U.S. operations only. We report on an operational control basis. All our data is collated through a central utilities database system and is automatically incorporated from invoices received from vendors. We do not sell energy.
- We do not currently use significant amounts of renewable fuel. We have a small solar facility at Harrah's Southern California, but this provides a small proportion of our overall consumption in the U.S. and is not considered material.
- Energy consumption has been recalculated retroactively in line with the Greenhouse Gas Protocol method that requires restatement following significant changes. Current data is updated to reflect our current line-up of properties throughout the U.S. as of 2014. Some data for year 2010 is estimated.
- We use small amounts of jet kerosene, motor gasoline and distillate fuel. These are insignificant and not recorded in our energy figures, though they are included and count toward our greenhouse gas emission figures.

#### **G4-EN8 WATER**

WATER USE IN KGAL	2008	2009	2010	2011	2012	2013	2014
Total consumption	4,668,439	4,421,951	4,445,481	4,287,954	4,367,924	4,238,930	4,418,691
Consumption per air-conditioned 1,000 sq ft	93.83	88.45	85.65	79.68	79.50	76.44	78.22
Cumulative change from baseline year 2008	N/A	-5.7%	-8.7%	-15.1%	-15.3%	-18.5%	-16.6%

#### Notes to water use data:

- Data is for U.S. operations only. We report on an operational control basis.
- · Almost all water is drawn from local water grid supply.
- · Water data has been recalculated retroactively to reflect changes in properties controlled during the years stated. In addition, in 2013, a comprehensive review of water information was completed, resulting in changes to data already reported in previous years. Some data for year 2010 is estimated.

## **G4-EN15 AND G4-EN16 GREENHOUSE GAS EMISSIONS**

GREENHOUSE GAS EMISSIONS IN METRIC TONS CO2e	2007	2008	2009	2010	2011	2012	2013	2014
GHG emissions (Scope 1)	233,446	227,616	224,747	224,122	223,496	218,556	224,430	224,052
GHG emissions (Scope 2)	912,292	874,066	825,687	812,793	799,898	797,656	805,348	821,814
Total GHG emissions (MT CO2e)	1,145,738	1,101,682	1,050,434	1,036,914	1,023,394	1,016,212	1,029,777	1,045,866

## **G4-EN18 GREENHOUSE GAS EMISSIONS INTENSITY**

	2007	2008	2009	2010	2011	2012	2013	2014
Total GHG emissions in metric tons CO2e per air—conditioned 1,000 sq ft	23.91	22.14	21.01	19.98	19.02	18.49	18.57	18.51
Percentage change from prior year	N/A	-7.4%	-5.1%	-4.9%	-4.8%	-2.7%	0.4%	-0.3%
Cumulative change from baseline year 2007	N/A	-7.4%	-12.1%	-16.5%	-20.5%	-22.7%	-22.3%	-22.6%

## Notes to emissions data:

- Data is for U.S. operations only. We report on an operational control basis.
- Scope 2 emissions are calculated using eGrid subregion GHG emissions factors. Scope 1 emissions are calculated using IPCC AR4 100-year GWP factors.
- Emissions data has been recalculated retroactively in line with the Greenhouse Gas Protocol method that requires restatement following significant changes. Current data is updated to reflect our current line-up of properties throughout the U.S. Some data for year 2010 is estimated.

## **G4-EN23 WASTE**

WASTE DIVERSION IN TONS	2012	2013	2014
Total waste generated	137,118	132,806	183,346
Waste to landfill	104,798	85,981	102,164
Waste diverted from landfill	32,320	46,825	81,182
Percent diversion	24%	35%	44%

## **G4-LA1 NEW HIRES AND TURNOVER**

U.S. WORKFORCE -EMPLO	OYEE TURNOVER (PER	RMANENT EI	MPLOYEES)						
		2012			2013			2014	
	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Total New Hires	4,906	4,452	9,358	6,002	6,010	12,012	5,958	5,452	11,410
< age 30	2,649	2,007	4,656	2,944	2,649	5,593	3,090	2,293	5,383
age 30 - 50	1,841	1,834	3,675	2,312	2,413	4,725	2,205	2,301	4,506
> age 50	416	611	1,027	746	948	1,694	663	858	1,521
Total Leavers	5,434	5,110	10,544	5,512	4,876	10,388	6,463	5,664	12,127
< age 30	2,256	1,736	3,992	2,373	1,664	4,037	2,453	1,792	4,245
age 30 - 50	2,331	2,362	4,693	2,198	2,105	4,303	2,746	2,574	5,320
> age 50	847	1,012	1,859	941	1,107	2,048	1,264	1,298	2,562

## U.S. WORKFORCE -EMPLOYEE TURNOVER

	TAGE OF TOTAL DEDI	AANENT WO	DVFODOF AT V	EAD END					
EXPRESSED AS A PERCEN	ITAGE OF TOTAL PERM	2012	KKFUKLE AT Y	EAK END	2013			2014	
	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Total New Hires	8.55	7.76	16.30	10.38	10.39	20.77	10.56	9.66	20.22
< age 30	4.62	3.50	8.11	5.09	4.58	9.67	5.48	4.06	9.54
age 30 - 50	3.21	3.20	6.40	4.00	4.17	8.17	3.91	4.08	7.98
> age 50	0.72	1.06	1.79	1.29	1.64	2.93	1.17	1.52	2.70
Total Leavers	9.47	8.90	18.37	9.53	8.43	17.96	11.45	10.04	21.49
< age 30	3.93	3.02	6.96	4.10	2.88	6.98	4.35	3.18	7.53
age 30 - 50	4.06	4.12	8.18	3.80	3.64	7.44	4.87	4.56	9.43
> age 50	1.48	1.76	3.24	1.63	1.91	3.54	2.24	2.30	4.54

Note: Small differences in totals due to rounding effects. Previously reported rates for 2012 and 2013 corrected to reflect permanent workforce.

<sup>•</sup> Total waste increased in 2014 due to the addition of a waste stream not previously measured: manure waste from horses at the ThistleDown Racino.

## **G4-LA6 OCCUPATIONAL HEALTH AND SAFETY**

#### SAFETY PERFORMANCE - U.S. PERMANENT EMPLOYEES 2012 2013 2014 **TOTAL TOTAL** MALE **FEMALE** TOTAL Injury rate per 100 employees The frequency of injuries relative to the total 3.10 2.86 3.01 1.99 2.24 time worked by the total workforce. Lost day rate per 100 employees Total lost days due to injury as a percentage of the total number of hours scheduled to 0.73 0.63 0.53 0.41 0.55 be worked Fatalities Fatalities sustained or contracted while in 0 0 0 1 1 the organization's employ.

#### Notes:

<sup>•</sup> Data is for actual hours worked by permanent employees in the U.S. We do not calculate rates for supervised workers or contractors. We are able to report split by gender in 2014 for the first time.

<sup>•</sup> Injuries are recordable injuries for which insurance claims are submitted.

# G4-LA12 WORKFORCE COMPOSITION U.S. WORKFORCE IN DETAIL (PERMANENT EMDLOYEES)

U.S. WORKFORCE IN DETAIL (	(PERMANENT EMPLOYEES)
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		2012			2013			2014	
	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
Board of Directors in detail		·							
Total Board of Directors	0	11	11	0	10	10	0	11	11
< age 30	0	0	0	0	0	0	0	0	0
age 30 - 50	0	6	6	0	3	3	0	2	2
> age 50	0	5	5	0	7	7	0	9	9
Directors in minority groups	0	2	2	0	2	2	0	2	2
Executives in detail									
Total executives	2	8	10	2	7	9	2	10	12
< age 30	0	0	0	0	0	0	0	0	0
age 30 - 50	1	2	3	1	2	3	1	4	5
> age 50	1	6	7	1	5	6	1	6	7
Executives in minority groups	0	1	1	0	1	1	0	2	2
Managers in detail									
Total managers	3,060	4,448	7,508	3,336	4,888	8,224	3,118	4,446	7,564
< age 30	344	415	759	375	518	893	416	502	918
age 30 - 50	1,851	2,543	4,394	1,934	2,630	4,564	1,744	2,420	4,164
> age 50	865	1,490	2,355	1,027	1,740	2,767	958	1,524	2,482
Managers in minority groups	1,140	1,252	2,392	1,302	1,394	2,696	1,295	1,420	2,715
Non-management employees in de	tail								
Total other employees	25,912	23,974	49,886	25,592	24,007	49,599	25,096	23,747	48,843
< age 30	4,681	3,927	8,608	4,917	4,243	9,160	5,304	4,526	9,830
age 30 - 50	12,728	11,398	24,126	11,521	10,483	22,004	10,963	10,155	21,118
> age 50	8,503	8,649	17,152	9,154	9,281	18,435	8,829	9,066	17,895
Non-managers in minority groups	16,594	13,080	29,674	16,457	13,221	29,678	16,414	13,180	29,594
Total employees in detail									
Total Workforce	28,974	28,441	57,415	28,930	28,913	57,843	28,216	28,214	56,430
< age 30	5,025	4,342	9,367	5,292	4,761	10,053	5,720	5,028	10,748
age 30 - 50	14,580	13,951	28,531	13,456	13,123	26,579	12,708	12,581	25,289
> age 50	9,369	10,148	19,517	10,182	11,029	21,211	9,788	10,604	20,392
Total employees in minority groups	17,734	14,335	32,069	17,759	14,618	32,377	17,709	14,602	32,311
Workforce rates (%)									
Total workforce by gender	50	50	100	50	50	100	50	50	100
< age 30	9	8	16	9	8	17	10	9	19
age 30 - 50	25	24	50	23	23	46	23	22	45
> age 50	16	18	34	18	19	37	17	19	36
% employees in minority groups	31	25	56	31	25	56	31	26	57
% women in management	41	59	100	41	59	100	41	59	100
% women in non-management	56	44	100	52	48	100	55	45	100

**Notes:** Small differences in totals due to rounding effects. Previously reported rates for 2012 and 2013 corrected to reflect permanent workforce. Directors for each year reflect appointments in April of each subsequent year. See annual proxy statements on our website.

## **G4-S04 COMPLIANCE TRAINING**

**ABOUT** 

Our Compliance and Ethics Program is very comprehensive and addresses, among other items, anti-money laundering, anti-corruption, and whistleblower processes. The Compliance and Ethics Program policies and procedures are regularly communicated and reviewed throughout or organization at all levels, including communications and training activities which take place on a regular frequency, at least annually, and others which are defined and delivered as needed throughout the year. This applies to our directors, officers, executives and a certain level of employees enterprise-wide. In addition, we have in the past communicated certain Compliance and Ethics Program policies and procedures to our business partners and suppliers including relevant clauses in our purchasing contracts for new suppliers.

DETAILS OF COMPLIANCE AND ETHICS PROGRAM COMMUNICATIONS AND TRAINING IN OUR U.S. OPERATIONS	NUMBER	PERCENTAGE
Total number and percentage of governance body members that the organization's Compliance and Ethics Program has been communicated to and who have been trained in the principles of the program.	Not available - will be reported in 2016	Not available - will be reported in 2016
Total number and percentage of employees that the organization's Compliance and Ethics Program has been communicated to.	Over 68,000	100%*
Total number and percentage of employees that have received training on the organization's Compliance and Ethics Program.	3,453 (Managers and Executives)	97% of management employees
Total number and percentage of business partners that the organization's Compliance and Ethics Program has been communicated to.	Not reported ***	Not reported ***

<sup>\*</sup> The Compliance and Ethics Program is distributed to all employees during the onboarding process at the time of hiring. Additionally, the Program is redistributed annually to Managers and Executives, and

<sup>\*\*\*</sup> We are not able to report a specific number of business partners and suppliers who have received communications. However, our Code of Commitment is widely communicated, including on our website and in other corporate communications which our suppliers and business partners routinely receive.