Measuring Sustainability
CodeGreen Approach
5/20/2014
About Caesars Entertainment

- Caesars Entertainment is one of the world’s largest gaming companies
  - 50+ casinos globally in 7 countries, Industry leading loyalty program
6 Global trends affecting business

1. Climate Change
2. Energy & Fuel Volatility
3. Water Scarcity
4. Increased Consumption
5. Rise of Urbanization
6. Connectivity & Transparency
Our Response: The Code of Commitment

We Believe

That the problems facing the planet demand real action today. That small steps we take together can have a profound impact.
That each of us has a duty to try to reduce waste, conserve resources, and minimize the impact of our operations.
That the time to act is now.

A Commitment to all our employees
to treat them with respect and provide satisfying career opportunities

A Commitment to all our customers
to promote responsible gaming

A commitment to all our communities
to help make them healthy and vibrant places to live and work

A commitment to responsible stewardship of the environment
Caesars Entertainment believes that the problems facing the planet demand real action today. The company’s CodeGreen initiative provides tangible low-carbon solutions to reduce water, energy and waste consumption at all Caesars resorts. CodeGreen enhances the first-class experience of Caesars Entertainment guests, creating healthier, cleaner communities around the world.
Committed to Our Employees & Community

- **A Culture of Reaching Out**
  - Employees throughout the United States volunteer well over 130,000 hours annually through HERO programs

- **Committed to Our Environment**
  - $60+ million invested to complete over 100 major conservation projects in seven years
  - Incorporated comprehensive recycling programs

BECOME A HERO
Have you ever wanted to give back to our communities and make a difference, while having fun with friends and coworkers?
Our Response: Original Company-Wide Targets (Original Version)

2013

- Achieve 10% absolute reduction in GHG emissions from domestic properties from 2007 to 2013.

2014

- Reduce water usage 10% per square foot from 2008 to 2015.

2015

- Reduce water use by 15% per square foot from 2008 to 2020.
- Divert 25% of domestic waste from landfills by 2014.

2020

- Reduce water use per square foot by 20% from 2007 to 2015.
- Divert 50% of domestic waste from landfills by 2020.
- Reduce energy use per square foot by 40% from 2007 to 2015.

2025

- Reduce domestic GHG emissions by 40% on a per square foot basis from 2007 to 2025.
- Reduce energy usage by 40% on a per square foot basis from 2007 to 2025.
- All Properties Green Key Certified by 2013.

- Maintain Entertainment Industry Leadership

Guests YoY: 3 percentage point quarterly shift of non-A’s to A’s

Employees YoY: 2 percentage point increase in Leadership Involvement, 5% point increase in FTE participation
# CodeGreen Scorecard

## Setting it Up

### CodeGreen Scorecard - A balanced scorecard approach

<table>
<thead>
<tr>
<th>Metric</th>
<th>Weighting</th>
<th>Objective</th>
<th>Scoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric</td>
<td>20%</td>
<td>Drive enterprise electric savings to reduce environmental impact, cost and carbon emissions</td>
<td>Average % rank of electric/chilled water use in MMBtu per ft(^2) conditioned space in most recent period and period-over-period decrease</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>15%</td>
<td>Drive enterprise natural gas savings to reduce environmental impact, cost and carbon emissions</td>
<td>Average % rank of natural gas/propane use in MMBtu per ft(^2) conditioned space in most recent period and period-over-period decrease</td>
</tr>
<tr>
<td>Water</td>
<td>15%</td>
<td>Drive enterprise water savings to reduce environmental impact and cost while preserving a scarce resource</td>
<td>Average % rank of water use in gallons per ft(^2) conditioned space in most recent period and period-over-period decrease</td>
</tr>
<tr>
<td>Waste</td>
<td>10%</td>
<td>Increase waste diversion and recycling to reduce environmental impact and cost</td>
<td>Average % rank of decrease in waste spend per ft(^2) conditioned space in most recent period and binary score for WasteWise diversion factor</td>
</tr>
<tr>
<td>Employee</td>
<td>20%</td>
<td>Engage employees to increase job satisfaction and reduce turn-over</td>
<td>Average % rank of EOS &quot;A&quot; scores in most recent period and period-over-period increase</td>
</tr>
<tr>
<td>Customer</td>
<td>20%</td>
<td>Increase customer awareness to build brand value and increase loyalty</td>
<td>Average % rank of Customer &quot;A&quot; scores in most recent period and period-over-period increase</td>
</tr>
</tbody>
</table>
Overall score consists of weighted average of category scores. Scorecard has become increasingly automated and now distributed quarterly.

CODEGREEN SCORES  Q1 2012 - Q4 2012

(1) Percentile ranked scores for each category are summarized
(2) A final score is calculated by applying a weighting to each of the individual percentile ranked scores
(3) The percentile rankings are 20% electric (highest contributor to carbon), 15% Gas, 15% Water, 10% Waste, 20% Customer and 20% EOS

<table>
<thead>
<tr>
<th>Property</th>
<th>Code Green Score</th>
<th>20%</th>
<th>15%</th>
<th>15%</th>
<th>10%</th>
<th>20%</th>
<th>20%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pcode</td>
<td></td>
<td>Electric</td>
<td>Gas</td>
<td>Water</td>
<td>Waste</td>
<td>Customer</td>
<td>EOS</td>
</tr>
<tr>
<td>AKC - Harrah's Ak-Chin</td>
<td>68.1%</td>
<td>57.0%</td>
<td>81.3%</td>
<td>84.0%</td>
<td>90.9%</td>
<td>83.3%</td>
<td>30.9%</td>
</tr>
<tr>
<td>ILV - The Quad LV</td>
<td>63.7%</td>
<td>89.9%</td>
<td>73.6%</td>
<td>81.4%</td>
<td>71.2%</td>
<td>16.6%</td>
<td>60.0%</td>
</tr>
<tr>
<td>CLV - Caesars Palace LV</td>
<td>61.4%</td>
<td>78.3%</td>
<td>52.2%</td>
<td>65.4%</td>
<td>24.2%</td>
<td>84.8%</td>
<td>43.6%</td>
</tr>
<tr>
<td>RIN - Harrah's Rincon</td>
<td>59.4%</td>
<td>84.3%</td>
<td>47.6%</td>
<td>16.2%</td>
<td>12.1%</td>
<td>86.3%</td>
<td>72.7%</td>
</tr>
<tr>
<td>RLV - Rio LV</td>
<td>58.8%</td>
<td>50.0%</td>
<td>70.0%</td>
<td>69.4%</td>
<td>50.0%</td>
<td>74.2%</td>
<td>38.7%</td>
</tr>
<tr>
<td>HAC - ATL - Harrah's Atlantic City</td>
<td>58.7%</td>
<td>78.3%</td>
<td>69.7%</td>
<td>79.9%</td>
<td>27.3%</td>
<td>31.8%</td>
<td>57.7%</td>
</tr>
<tr>
<td>UEL - Horseshoe Southern Indiana</td>
<td>58.3%</td>
<td>34.5%</td>
<td>81.1%</td>
<td>80.0%</td>
<td>78.8%</td>
<td>62.1%</td>
<td>34.5%</td>
</tr>
<tr>
<td>JOL - Harrah's Joliet</td>
<td>57.2%</td>
<td>65.7%</td>
<td>51.3%</td>
<td>53.8%</td>
<td>60.6%</td>
<td>54.5%</td>
<td>56.8%</td>
</tr>
<tr>
<td>GBI - Grand Casino Biloxi</td>
<td>56.9%</td>
<td>43.5%</td>
<td>87.1%</td>
<td>35.1%</td>
<td>75.8%</td>
<td>51.5%</td>
<td>59.9%</td>
</tr>
</tbody>
</table>
Results are In: Continues to Drive Results

**CodeGreen Program**

*Pillars of our sustainability strategy*

- Stakeholder communication and engagement
- Core environmental performance
- Organizational commitment and alignment

• We exceeded our goal by achieving a 12% + reduction in carbon emissions resulting from our operations a year early
• Met 25% Waste Diversion by 2013
• Increased Employee Engagement
• Customers Impacted

• Customer loyalty
• Cost savings
• Revenue growth
• Brand value
• Community pride
• License to operate
• Employee satisfaction and retention
Vision Forward: The New Las Vegas Style Casino

- LED lighting
- Runs on renewable energy
- Made from recycled materials
- Single stream recycling
- Caesars Entertainment
- CodeGreen®