

Verification Statement

Background

Optera was engaged by Caesars Entertainment (Caesars) to provide independent verification on the accuracy of selected information included in Caesars' 2020 GHG emissions and water withdrawal datasets, and express a conclusion as to whether the assertions contained in the inventory are presented fairly in accordance with (1) ISO 14064-1 *Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*, and (2) Global Reporting Initiative's (GRI), *G4 Sustainability Reporting Guidelines*.

Per contractual agreement, Caesars' 2020 GHG emissions and water withdrawal Inventory Verification Report and Statement were prepared by Optera solely for Caesars' benefit. The information contained therein, its presentation to CDP and inclusion in corporate sustainability reports are the sole responsibility of Caesars.

Boundary and Scope

Optera examined Caesars' 2020 greenhouse gas (GHG) emissions and water withdrawal assertion, as follows:

Scope 1	Direct emissions from onsite fuel combustion and fugitive emissions
Scope 2	Indirect emissions from purchased electricity, steam, heating, or cooling <ul style="list-style-type: none"> • Location-based accounting method • Market-based accounting method
Scope 3	Other indirect emissions in the value chain <ul style="list-style-type: none"> • Business travel: commercial air travel
Water	Water withdrawals for use in operations <ul style="list-style-type: none"> • Municipal sources • Well sources

The GHG inventory includes 100 percent of the reported scope 1 and scope 2 emissions from facilities that are under Caesars' operational control. The scope 3 inventory includes 4 percent of the total scope 3 reported emissions, from only Business Travel: commercial air travel. The water withdrawal inventory includes 100 percent of the reported municipal and well water withdrawals.

The inventory comprises all Caesars' resort properties, hotels, restaurants, offices, and fleet vehicles for its global operations. It also includes properties resulting from a merger completed in 2020 between Caesars and Eldorado Resorts, Inc. (ERI).

Period Covered

Caesars' GHG and water withdrawal assertion covers the 2020 calendar year: 1 January to 31 December 2020.

Data Verified

GHG & Water Withdrawal Assertion

The final quantities verified were presented in:

- (1) *2021_07_15 Caesars 2020 GHG Inventory_Final Rev 2. xlsx*
- (2) *2021_07_15 Caesars CY2020 Scope 2 Market-based_Final Rev 1.xlsx*
- (3) *Caesars 2020_2021-07-06 Water Inventory.xlsx*

Item	Quantity
Scope 1 emissions	217,293 mtCO ₂ e
Scope 2 emissions	
Location-based emissions	602,930 mtCO ₂ e
Market-based emissions	592,894 mtCO ₂ e
Scope 3 emissions	
Business Travel: Commercial Air Travel	1,248 mtCO ₂ e
Water withdrawal	
Municipal Sources	2,775,620 Gal (000)
Well sources	74,226 Gal (000)

Year over Year Change in Emissions

Optera was also able to verify Caesars' assertion that the year-on-year change in emissions, from the 2019 to 2020 inventory is as follows:

Item	2019 Quantity*	2020 Quantity	% Change
Scope 1 emissions (mtCO ₂ e)	264,505	217,293	-18%
Scope 2 emissions (mtCO ₂ e)			
Market-based emissions	771,689**	592,894	-23%
Scope 3 emissions (mtCO ₂ e)			
Business Travel: Commercial Air Travel	5,675	1,248	-78%

*2019 values have been updated by Caesars to reflect the merger of Caesars and Eldorado Resorts, Inc. (ERI), completed in 2020. The values reflected here include the addition of 19 resort and casino properties.

** 2019 Scope 2 values reflect updates subsequent to the provision of the initial verification statement.

Historical data was used to inform the calculation of this assertion.

Methodology

This Verification has been developed based on principles and methods described in (1) ISO 14064-3 *Specification with Guidance for the validation and verification of greenhouse gas assertions*, and (2) GRI's *G4 Sustainability Reporting Guidelines*. The verification has been conducted to achieve a *limited level of assurance*. Given the status of Caesars' GHG emissions and water withdrawal data and management system, a limited level of assurance verification was appropriate for this project.

As part of the independent assessment Optera performed the following tasks:

- Examination of the 2020 GHG emissions and water withdrawal data;
- Examination of underlying calculations to confirm the formula references and accumulation of data, and re-performance of a sample of the calculations;
- Determine whether the elements of the protocol were consistently and appropriately applied;
- Cross-check of emissions factors against referenced sources and assessment of the appropriateness of the selected factors;
- Evaluation of potential errors, omissions or misrepresentations resulting from data input, transformation and/or output processes; and
- Collection of testimonial evidence (i.e. interviews), data review and sampling to provide an understanding of management/operational and control procedures to be implemented by the responsible party to ensure the quality, integrity and security of the GHG and water information.

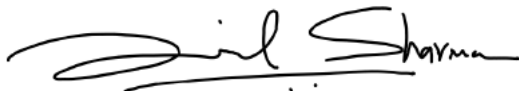
Findings

It is Optera's opinion that based on the verification methodology and activities described above, there is no evidence that Caesars' 2020 GHG emissions and water withdrawal assertions are not:

- Founded upon appropriate systems for the collection, aggregation and analysis of quantitative data for determination of scope 1 (direct), scope 2 (indirect) and scope 3 (other indirect) emissions; and water consumption data;
- Correct at a *limited* level of assurance;
- Meets the minimum level of accuracy of at least 95 percent;
- Accurate, materially correct, and a fair representation of GHG emissions and water withdrawal data and information; and
- Prepared in accordance with ISO 14064-1 and GRI G4 guidelines, including associated requirements for the design, development, management, reporting and verification of an organization's environmental data.

Statement of Independence, Impartiality and Competence

Optera is an independently owned and operated consulting and software services company that specializes in technical analysis and innovation for efficiency and renewable resources. Optera has considerable experience in the development, reporting and verification of GHG emissions information for industrial, utility, municipal and corporate clients. Optera's verification team did not contribute to the compilation of Caesars' 2020 fiscal year GHG inventory and did not work on the GHG inventory beyond what is required of this assignment. Optera has conducted this verification independently, and there has been no conflict of interest.



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August 11, 2021