

2015 ANNUAL DIVERSITY PLAN

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I. INTRODUCTION

The Sands Bethworks Gaming LLC d/b/a Sands Casino Resort Bethlehem (Sands) Diversity Plan has its genesis in the Diversity Plan of its parent corporation, the Las Vegas Sands Corp. ("LVSC") where there is a culture that embraces the diversity of all employees (Team Members). Sands endeavors to create a culture of inclusion and commitment to equal opportunity for people of all races, color, religion, gender, age, sexual orientation, national origin, physical or mental handicap or disability and in which all aspects of diversity are acknowledged and respected.

II. SANDS BETHLEHEM

The Sands Bethlehem is situated on the site of the historic Bethlehem Steel plant in Bethlehem, Pennsylvania, and located approximately 60 minutes from Philadelphia and the northern New Jersey suburbs, and 90 minutes from New York City.

The Sands opened in May, 2009 with 3,000 state-of-the-art slot machines and electronic table games. Two hundred and fifty (250) slot machines and electronic table games were added in November, 2009. Total slot machines in 2014 were 3.013. This number remains the same for 2015.

As a result of Table Games legislation approved in January, 2010, the Sands opened its Table Games operation in July 2010 with 12 poker tables and 68 table games. In December 2010, Sands expanded its Poker Room to with an additional 11 poker tables. In July 2011, Sands added the high end gaming area Paiza expanded table games to 129 games inclusive of poker. In August 2012 the Sands added 23 more table games for a total of 152 table games for 2012. In January 2013, 32 table games were added for a total of 184 and in the 2014 table games expansion the total number of table games were increased to 207. This number remains the same for 2015.

The Sands offers a variety of entertainment and dining options including:

- Emeril's Chop House (Emeril Lagasse steakhouse)
- Burgers and More by Emeril (gourmet burger restaurant by Emeril Lagasse)
- Carnegie Deli (famous NYC deli)
- Coil (casino lounge with table top video poker)
- Molten Lounge (live entertainment lounge)
- Infusion (ultra lounge)
- Emeril's Italian Restaurant
- The Market Gourmet Express (food court)
- Steelworks (24-hour casino café with buffet)
- Buddy V Ristorante (Opening Spring 2016)

- Sands Event Center
- Sands Outlet Retail Mall
- In May 2011, the Sands opened its 302 room Hotel including two (2) meeting rooms.
- In May 2012 the Sands added 3 more meeting rooms.
- In November 2011, the Shoppes at Sands Premium Outlet Retail Mall opened with six (6) out of a total of thirty one (31) stores. Additional stores were leased in 2012 and 2013. By year end 2014, 28 of the available 29 spaces were leased. In 2015 there was movement in the rental of the units and currently 27 of the available 29 spaces are leased.
- In May 2012 Sands opened the Sands Event Center.
- In 2013 there were 2 Table Games expansions taking the total Table Games to 184.
- In 2014 there was an additional Table Games expansion increasing total Table Games to 207.
- In 2015, Sands closed the Saint James Gate restaurant in preparation for the opening of Buddy V Ristorante in spring 2016. Buddy V is an Italian Restaurant concept with Buddy Valestro, "The Cake Boss", who operates an Italian restaurant at the sister property Venetian in Las Vegas.

The property also includes:

- 3,400 parking garage spaces
- Surface parking for 1,300 cars
- Valet parking
- Upscale Retail Store

III. MISSION STATEMENT

Sands Casino Resort Bethlehem's Mission Statement is the same as that of its parent company, LVSC, and its sister property, The Venetian and Palazzo Hotel Resort Casino. The overall mission is to create an experience for our guests which will exceed all others. Our philosophy for creating a unique guest experience is a simple one: Treating all Team Members well, so Team Members will treat guests well. As part of this business philosophy to treat all Team Members well, we are a proactive leader in creating equal opportunities. We recruit, employ, train, and develop individuals without regard to age, race, gender, ethnicity, sexual orientation, religion, socioeconomic background, and native language. The diversity of our Team members is not only respected, it is a valued part of the fabric of the organization.

IV. GOALS

To achieve the ultimate goal of a diverse workplace, the Sands Casino Resort Bethlehem's Diversity Plan sets forth five (5) overall goals. These goals also set forth action steps taken by the Sands to achieve those goals. The overriding goals are as follows:

- 1. <u>Diversity Education</u> Demonstrate its commitment to a diverse and inclusive business culture.
 - All Team Members, including all management, participate in diversity awareness training.
 - Marketing materials show visible support of the Sands' commitment to a culture of diversity.
 - Actively seek MBE/WBE vendors to provide goods and services.
- 2. Good faith plan to recruit, train, and upgrade diversity. Show evidence of establishing initiatives for recruiting, hiring, training, and promoting (upgrading), minority applicants/Team Members to achieve diversity at all job levels within the Sands.
 - Commitment to recruiting for and re-training a workforce which represents the entire spectrum of race, color, religion, gender, sexual orientation, age, national origin and physical or mental handicap or disability.
 - Advertise for recruitment to diverse communities through media that reaches women and minorities.
 - Recruit in local and regional print media and radio. These advertisements reflect diverse faces and voices.
 - Recruit to a wide applicant pool including minority outreach by utilizing community career centers, local libraries and other minority concentric organizations as satellite recruitment centers.
 - Diversity concepts are integrated into hiring practices, orientation and training programs.
 - Provide Team Member friendly development programs and skills training to promote career growth opportunities designed to retain talent.
 - Partner with organizations that represent minorities and the disabled to provide employment opportunities.
 - Partner with educational institutions to provide additional resources to existing and potential Team Members.
- 3. Good faith plan for enhancing representation of diverse groups and equality of opportunity in employment: Sands will enhance the representation and employment opportunities of diverse groups in the operation of its facility.
 - Diligence in seeking contracts with MBE's/WBE's.

- Partnerships with the Community Action Committee of the Lehigh Valley and the Community Action Development Corporation of Bethlehem to assist in identifying MBE and WBE businesses.
- Designate a position in procurement to encourage and facilitate the use of MBE/WBE vendors and to track successes.
- Offering several community seminars to educate MBE and WBE businesses and to what the needs of the casino are as it related to goods and services.
- Giving "priority" consideration to MBE/WBE businesses when bidding for goods and services to the extent the law permits.
- 4. <u>Establish accountability and monitoring systems to measure and report on the progress of Sands' diversity activities</u> and make the results of its actions available to the PGCB and the public.
 - Progress in our diversity efforts are reported on a quarterly basis to the Pennsylvania Gaming Control Board.
 - Tracking of diversity in recruitment and hiring as well as minority and women vendor contracts.
- 5. <u>Be active participants in the community</u> through volunteerism, charitable giving, and other community outreach efforts.
 - Dedication to assisting the community in which our Team Members live and we proactively reach out to those in need on order to encourage improved quality of life for everyone.
 - Support causes that empower the minority community, educate and motivate youth as well as other charitable and educational causes.
 - Partner with civic and non profit organizations that affect our community.
 - Donate to local organizations at appropriate levels.
 - Participate in community and cultural events.
 - Regular communication with community leaders and City officials about issues of importance including achieving the goals of diversity.

V. DIVERSITY IN EMPLOYMENT EFFORTS

Sands Casino Resort Bethlehem is an Equal Opportunity Employer. It is the policy and practice of the Sands that all Team Members be treated equally without regard to race, color, religion, sex, age, sexual orientation, national origin, physical or mental handicap or disability where they can perform all of the essential job functions with or without reasonable accommodation. This policy applies to all privileges including recruitment, hiring, promotion, transfer, and renewal of employment, selection for training or apprenticeship, termination, discipline, length of service and/or terms and conditions of employment.

In addition to providing equal opportunities for all Team Members, it is the Sands' policy to provide a positive and inclusive work environment which values individual differences and enables every team member to contribute and develop to the level of his or her potential.

To that end, it is the goal of the Sands that:

- Team Members are respectful in work and actions toward other Team Members;
- Company policies, procedures and systems will support and encourage diversity;
- An environment is created in which each Team Member can enhance his or her individual skills, abilities and levels of expertise;
- Each Team Member will recognize, respect and positively respond to the diversity of guests and suppliers of the Sands as well as that of their fellow Team Members.

It is the belief of the Sands that valuing and celebrating diversity will result in respected and creative Team Members and a high level of guest and Team Member satisfaction.

Recruitment

1. Advertising

In an effort to attract the most qualified applicants to fill the positions available at the Sands, Sands utilizes an established "Recruitment Media Plan". This includes the use of billboards, newspapers, radio and internet advertising. All print media and radio include diverse persons and voices. Consideration is given to media that would attract ethnically diverse applicants. Below are examples of advertisement placement:

- Radio Advertising on station WHOL to reach out to the Hispanic community
- Advertisement for employment in the Chinese World Journal to reach out to the Asian community

 Use of 31x30 poster sheets advertising our employment website. The posters are in both English and Spanish.

2. Website

The Sands developed its website prior to opening its Employment Center in 2009 to give applicants access to the online application process. This website provides information as to the types of jobs to be filled and directions to and hours of operation for the Employment Center located just inside the Team Member Entrance at the Casino. This provides easy access to the residents of Southside Bethlehem.

3. Satellite Recruitment Centers

The Sands has partnered with several diverse organizations in Bethlehem, Allentown and Easton to serve as satellite recruitment centers. The Sands provided training at the centers related to the online application process to the organizations and in one case provided computers. These organizations assist their clients with the online application process and serve as an intermediary with questions or concerns regarding the applications process. Organizations used in this manner are:

- · Boys and Girls Club of Easton
- The Southside Public Library of Bethlehem
- The Hispanic American Organization in Allentown

4. Partnerships with Non-Profits for the Disabled

The Sands has partnered with VIA of Lehigh Valley to create opportunities for their clients who are physically or mentally challenged to work at the Sands. In 2011 Sands hired its first a VIA client into a part time position. In 2015, Sands employed five (5) VIA clients.

Training

The Sands is committed to training programs that promote career growth opportunities designed to retain talent. Our training efforts include Team Member orientation programs that familiarize the new Team Members with the facility, policies and procedures, benefits program, and the Team Member handbook. Disciplinary procedures and absenteeism policies are also reviewed with an emphasis on fairness and equality. Upgrading, or promotion from within the ranks of our Team Members, is another goal of the Sands. In 2014, one hundred and eleven (111) Team Members were promoted to a greater position. We believe that our strongest asset is a Team Member who is enthusiastic about his or her work and who is willing to pursue and is excited about promotional opportunities. We are in compliance with Federal and Pennsylvania State laws

requiring the posting of Labor law posters in our facility, including, but not limited to the issues of Minimum Wage, OSHA, EEOC, Anti-Discrimination and Workers Compensation laws.

Examples of the training initiatives offered to Team Members include:

- New Hire Orientation
- Benefits enrollment
- Supervisory Training
- Cultural Difference Awareness
- Transition from Line Level to Supervisor
- Navigating the Corrective Counseling Process
- Hazardous Material Training
- OSHA required courses

In addition to the excellent courses offered to our Team Members onsite, the Sands has worked with Northampton Community College and the following Pennsylvania and Lehigh Valley community organizations to provide educational and/or training programs:

- Council on Compulsive and Problem Gambling of Pennsylvania
 - Compulsive and Problem Gambling Training
- Northampton Community College
 - o Professional Development Training
 - Customer Service Training
 - New Supervisor Training
 - Workplace Safety Training
 - English as a Second Language
 - Cultural Difference Awareness
- Pennsylvania Liquor Control Board
 - RAMP/TIPS Certification

Additionally, the Sands has partnered with Northampton Community College to enhance its Hospitality program and to include courses such as Casino Management, Surveillance and Table Games Supervisory training.

In 2015, Sands hired a Training Manager to assist in identifying company training needs and to facilitate new training programs. The emphasis for training in 2015 was Compliance Training and improved Customer Service.

New in 2015 was the implementation of a hotel, casino and culinary internship program in partnership with Northampton Community College, Penn State University and Drexel University. Additionally, Sands started the process of developing an industry specific English as a Second Language program in partnership with professors from Alvernia University in Reading PA. This program will be implemented in 2016.

Team Member Relations

1. Policies and Procedures

Team Members are issued a Team Member handbook which includes key personnel policies, procedures, practices and expectations. The Sands policies conform to all State and Federal regulations including but not limited to EEO, Harassment and Diversity. The policies were written to be fair, consistent and uniformly applied. The handbook is reviewed in detail during the new hire orientation and is periodically updated to provide new or amended policies. Additionally, all of the Sands Property wide policies and procedures are available to every Team Member on the Team Member Self Service Center website.

2. Team Member Issues or Concerns

Our mission at the Sands is to make every customer interaction a personal invitation to return by providing unmatched customer service. To do this, we recognize that it is essential that we create a work environment that fosters excellence. One of the essential parts of this kind of environment is treating Team Members with integrity and respect at all times. This involves:

- Maintaining a work environment free of discrimination and harassment.
- Clearly communicating expectations, performance standards, policies and rules.
- Respecting our Team Members enough to care and truly listen to their complaints, concerns and suggestions.
- Responding to Team Members' complaints, concerns, and suggestions in a timely and honest way.
- Establishing systems that encourage open communication and that insure Team Members are treated fairly.

The Company has established the following programs with these goals in mind

- Open Communication Policy- This program encourages excellent two- way communication between Team Members and Management with the goal of resolving issues quickly and fairly.
- Harassment Hotline The Harassment Hotline is designed to make it easy and fast to report any type of harassment or discrimination to Human Resources. The Hotline number is 484-777-SAND (7263). Team Members can also speak directly to a Human Resources Representative at any time.
- Team Member Surveys The Company conducts Team Member surveys periodically in order to identify Team Members' concerns and address them.
- Bi-monthly meetings with the President whereby line level Team Members can voice concerns directly to the President.

In addition, Sands employs a Team Member Relations Manager and two (3) Team Member Relations representatives to specifically work with departments on Team Member issues and concerns.

In late 2015, Sands Human Resources was permitted to add the position of Team Member Engagement Manager to direct efforts to Team Member engagement and retention. This position will be impactful in 2016.

VI. CONTRIBUTION TO THE LOCAL COMMUNITY

The Sands continues to have regular communication with community leaders and City officials about issues of importance including achieving our goals for diversity. The President of the Sands Mark Juliano, is very much involved in the community and is the contact person for all issues and concerns by organizations and City and State officials.

Sands Casino Resort Bethlehem continues to be an active participant in the local community. The Sands has reached out to numerous cultural organizations, has participated in many charitable events, and has become a sponsor of several local community groups. Some of the organizations that we have partnered with or have made donations to are:

- St. Luke's Trauma Center
- Council on Compulsive Gambling
- March of Dimes East Central Pennsylvania
- Historic Bethlehem Partnership
- DeSales University
- Minsi Trail Council Boy Scouts
- National Museum of Industrial History
- Lehigh Valley Economic Development
- Center for Humanistic Change
- Southside Film Festival
- Office of MBE/WBE Businesses (a division of the Lehigh Valley Economic Development Corp.)
- Bethlehem Public Library
- Allentown Art Museum
- LV Chamber of Commerce
- Southside Neighborhood Center
- Trinity Soup Kitchen
- VIA Lehigh Valley
- Community Action Committee of Lehigh Valley
- Lehigh Valley Military Affairs Council
- ProJect of Easton
- Donegan Elementary School
- Victory House of Bethlehem

Specifically, Sands has "adopted" Donegan Elementary School and funds, supports and participates in numerous programs with the students and faculty throughout the year.

VII. GENERAL PROCUREMENT VENDOR CONTRACTS

The Sands has made a real commitment and effort to use local businesses as vendors and suppliers. We have reached out to the larger community by establishing and growing business relationships with vendors who classify as MBE's or WBE's. We have made an effort to empower local MBE's and WBE's through outreach initiatives that help start, develop and expand businesses so that they can successfully bid on the goods and services for the Sands. MBE/WBE businesses receive "priority" consideration when bidding on goods and services to the extent permitted by law.

The Sands has partnered with the Community Action Committee of Lehigh Valley to assist in identifying MBE/WBE business and helping them through the certification process. Additionally, this organization encourages MBE/WBE to participate in the Sands-sponsored mentor program.

As a socially responsible organization, the Sands partners wherever possible with minority and woman vendors, as well as other diverse groups, to create a mutually beneficial business climate. Our goal is to ensure that all qualified vendors are given equal opportunity to bid on goods and services.

The following initiatives are in support of our diverse vendor procurement mission:

- Continue to utilize the Pennsylvania Department of General Services Bureau of Minority and Women Business Opportunity business directory and database to locate minority and diverse vendors that offer relevant products and services.
- Solicit the direct help of the Director of the PA Department of General Services and his staff to locate minority and women owned businesses that are capable of handling a project of this scope and size as well as assisting with the registering and certifying of minority and women owned businesses within the Commonwealth.
- Investigate the possibility of linking the Sands website to the Pennsylvania Department of General Services Bureau of Minority and Women Business Opportunity to facilitate awareness and to simplify the application process for potential vendors.
- Continue to host information seminars for local Minority and Women Owned Businesses.

- Continue to attend and support Pennsylvania regional minority business fairs.
- Periodically review the Pennsylvania Department of General Services Bureau of Minority and Women Business Opportunity list of approved vendors for any changes.
- Create a mentoring environment for new and potential minority and women owned vendors so that they can better understand the needs of a casino facility and to possibly expand the line of products and services that they provide.
- Have user departments review annual budgets for purchasing opportunities and work with the minority database and reach out to those minority suppliers provided by the purchasing staff.
- Consider minority and women-owned business enterprises when reviewing Capital Expenditure projects.

The Sands will continue to follow these initiatives and to develop others as it continues to foster an inclusive business environment. Additionally, ensure that all vendors complete a vendor registration or certification packet before any contract or purchase order is issued.

These extensive efforts to identify, train and assist MBE/WBE, as well as other diverse groups of potential vendors should result in a roster of vendors that maximizes diversity and is reasonably reflective of and inclusive of the local community.

VIII. CONSTRUCTION PROCUREMENT

The Sands is committed to securing bids for construction projects from local minority businesses. Our efforts in seeking out and including minority contractor and subcontractor participation during the initial casino build-out resulted in the successful completion of the project.

The plan for minority inclusion in any future construction projects will be to utilize the successful techniques and practices employed during the initial casino build-out and capitalize on the contractor, subcontractor and supplier relationships developed during this project. The following steps are critical as we attempt to carry this success forward to any future construction projects:

- Collaboration with construction managers who share our commitment to minority participation.
- Coordination with property-level and corporate purchasing departments as well as the Government Affairs Department in order to capitalize on their continuous search for qualified minority enterprises.
- Use of State of Pennsylvania, PA Gaming Control Board and other resources and databases to identify capable minority contractors and suppliers.
- Reaching out to the Pennsylvania Department of General Services to solicit assistance in locating minority owned construction companies and suppliers who were and are capable of handling projects of our size and scope.
- Continuation of specific procedures and processes that require construction managers to demonstrate efforts to identify minority contractors and suppliers before work is awarded.
- Requirements on the part of construction managers to track commitments to and dollars expended for minority contractors and suppliers.
- Coordination with construction managers to identify 2nd and 3rd tier subcontractor and supplier opportunities.
- Close coordination with construction managers to improve the onsite labor component of commitments made to minority contractors and suppliers.
- Periodic reporting of our minority commitment and fulfillment results to the Sands Casino Resort-Bethlehem Diversity Officer, the Pennsylvania Gaming Control Board and other involved parties.

CONCLUSION

The Sands Casino Resort Bethlehem is committed to achieving diversity in the workplace, to creating a strong community presence, and to being one of the best places to work in the Lehigh Valley. The systems, policies, training efforts, and commitment to the community that the Sands has put into motion will all work together in helping us achieve our diversity goals. Additionally, the Sands is committed to seeking and engaging minority and female businesses to provide goods and services.