



VAIL RESORTS

EPIC PROMISE

PROGRESS REPORT

2017-18 Season

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LETTER FROM THE CEO

INSPIRING PROGRESS

At Vail Resorts, we strive to provide an Experience of a Lifetime™ to our guests, to our communities, and to our employees. As a business that is deeply connected to the environment, we recognize our immense responsibility to protect the majestic natural landscapes and support the passionate communities where we live, work, and play.

One of Vail Resorts' core values is Do Good—we created the EpicPromise program based on this fundamental operating principle. EpicPromise combines our social responsibility and environmental passions through three initiatives: the **EpicPromise Employee Foundation**, which helps employees in times of need; **community giving and volunteerism**, which supports the vitality of our communities; and most recently, our **Commitment to Zero**, which is our environmental pledge to be a true sustainability leader.

Launched in 2016, the EpicPromise Employee Foundation assists our employees during challenging life moments and helps them pursue educational dreams. In the last year, our team granted \$904,000 directly to employees and their families.

Local communities are the heart and soul of our resorts, and we have an extensive program of employee volunteerism and grants to lend support. In FY 2018, we contributed more than \$12.9 million to non-profit organizations focused on youth programs, environmental initiatives, and social issues, and our 5,705 employees volunteered 26,284 hours building trails, feeding families in need, and supporting vital community non-profits.

Vail Resorts is committed to sustainable operations that preserve, protect, and inspire. In 2017, we launched Commitment to Zero—our ambitious sustainability goal to achieve a zero net operating footprint by 2030. This is not a small or simple undertaking. To attain this goal, we must remain vigilant stewards of the environment, take action to improve business practices, and make strategic capital investments.

During the first year of our Commitment to Zero, we focused on building our long-term program for the future. We collected data, piloted programs, and designed long-term strategies to inform our next steps. We also made some visible progress, particularly on reducing our net carbon footprint. We are incredibly proud to announce that we have entered into a long-term agreement with Ørsted A/S to purchase 74 megawatts of electricity annually from the Plum Creek Wind Project, a new wind project coming online in 2020. This virtual power purchase agreement—a long-term, multimillion-dollar commitment—will produce enough wind energy to reduce the emissions associated with Vail Resorts' estimated FY 2019 North American electricity use by 100 percent. Our purchase of approximately 310,000 megawatt hours of renewable energy enables this wind farm to come to life, and represents our profound commitment to investing in alternative energy to protect our planet. On a local level, we signed a contract with Xcel Energy in Colorado to support a new solar energy facility, which encourages utilities to bring more renewables online for commercial and residential users. Also, we invested \$2.4 million in energy-efficiency projects at our resorts, including low-energy snowmaking and energy-efficient building upgrades.

In addition to our many energy projects this past year, we are excited to announce our zero waste roadmap. The roadmap includes building out resort-wide composting capabilities, and implementing education and sorting programs, as well as addressing conventional single-use plastic items. In the 2017-2018 winter season we started eliminating conventional plastic straws. During the 2018-2019 season we are launching our Smart Straw initiative at all of our food and beverage operations across all mountain resorts and lodging properties. Through this initiative only compostable straws will be available upon request. We will also be replacing single-use, wax-lined paper cups with durable tumblers where dishwashing is available.

Additionally, we will be working with Eco-Products—our new Official Zero Waste Partner—to eliminate the use of conventional single-use guest-facing dining plastics, while replacing conventional plastics that we cannot currently eliminate with compostable and recycled-content products. As a key component of our waste roadmap, this season we are also proud to launch a two-phased waste diversion program at Park City Mountain that will target food scraps and compostable packaging. Once the infrastructure, sorting, and educational components of this program are fully implemented over the next two winter seasons, the program will allow us to divert approximately 420 tons of waste from landfill annually.

To make progress toward our goal of zero net impact to forests and habitat, we partnered with the National Forest Foundation and the U.S. Forest Service to offset the acres that we disturbed with on-mountain projects, helping to improve Canada Lynx habitat and mitigate the impacts of spruce beetle infestation. Of course, we are not limited to, nor stopping at, the specific goals we articulated for our Commitment to Zero. The commitment covers other environmental initiatives, such as our work on water quality, timber management, and road and trail improvements, although there are no specific goals for these areas at this time.

EpicPromise is about preserving the communities and landscapes we love for future generations. To succeed, we must rely on our individual and collective participation to ignite a passion for the great outdoors and strong communities for generations to come—and actions speak louder than words.

Going forward, we are committed to holding ourselves accountable—we have set very big goals and will be transparent in reporting on our actions and steps toward them. Our progress will not be linear between now and 2030 as we prioritize and execute the most impactful and innovative actions for our operations. I am pleased to share our first EpicPromise Progress Report, which details our performance toward Commitment to Zero and our approach to engaging local communities. I invite you to follow along on our journey to re-imagine what it means to be a leader in sustainability by focusing on what's right for our communities, our mountains, and our future.



Sincerely,

A handwritten signature in black ink, appearing to read 'R. Katz', written over a light-colored background.

Robert A. Katz

Chairman and Chief Executive Officer

“We must rely on our individual and collective participation to ignite a passion for the great outdoors and strengthen communities for generations to come.”

CORE VALUES

DO GOOD

COMMITMENT TO ZERO

In 2017, we made a bold pledge to achieve a zero net operating footprint by 2030 by reaching zero net emissions, zero waste to landfill, and zero net operating impact on forests and habitat. As a company that is passionate about the natural landscapes in which we live and work, we also pledged to hold ourselves accountable by reporting our progress annually. The next section provides an overview of last year's progress for each of these pillars.

As one of the largest mountain resort companies in the world, we have a unique responsibility to protect the spectacular landscapes and thriving communities upon which our resorts rely. Spanning more than 46,000 acres, our 18 world-class mountain resorts and urban ski areas provide guests with the Experience of a Lifetime™. We are a global company deeply committed to the outdoors, our employees, and the communities we serve, and EpicPromise is our company-wide framework for addressing environmental challenges, supporting our employees, and strengthening local communities.

Our six core values, outlined below, serve as the foundation for everything we do. EpicPromise is one of the many ways we live out our value to Do Good.

Do Good

Preserve natural environments and contribute to the success of local communities.



Have Fun

Fun is our product. Create fun, enjoy your work, and share the contagious spirit.



Drive Value

Grow profit through smart and innovative business practices.



Be Safe

Be committed to the safety and wellness of our employees and guests.



Do Right

Act with integrity. Always do the right thing, knowing it leads to the right outcome.



Serve Others

Every day, every interaction, we ensure our guests feel happy, relaxed, safe, and excited.

GETTING TO ZERO

FY 2018 PROGRESS

Achieve zero net emissions by 2030, with 50 percent progress toward this goal by 2025*



4.6 percent increase in greenhouse gas emissions

1.5 percent energy-efficiency savings in MMBtu from snowmaking and building upgrades

Status: ON TRACK

In the first year of this commitment, we invested \$2.4 million in energy-efficiency capital, signed a long-term virtual power purchase agreement (VPPA) to bring a new wind project online, and signed on to Xcel Energy's Renewable Connect program to bring a new solar farm onto the grid in Colorado. These efforts in the first year of our Commitment to Zero put us on target to reach our goal of zero net emissions by 2030, and will help us achieve RE100 when the wind project comes online in 2020.

We are on a great path. Yet, we used more energy in FY 2018 than in FY 2017. This was due to a historically low snowfall year in which we made more snow, causing our energy use and associated emissions to increase. We are addressing this challenge, in part, by deploying 240 additional low-energy snowmaking guns in FY 2019. See page 6 for additional details on our current and future initiatives to achieve zero net emissions.

Achieve zero waste to landfill by 2030, and increase waste diversion to 50 percent by the end of 2020*



7.7 million pounds of waste diverted from landfill by recycling and composting

Refined our waste measurement methodology

Status: ON TRACK

In FY 2018, we found immediate opportunities to reduce our waste, while also building out our roadmap for reaching 50 percent waste diversion by the end of 2020. This roadmap, to be launched in the 2018-2019 season, includes greatly expanding our composting and diversion efforts, partnering with Eco-Products, eliminating conventional plastic straws across our resort network, replacing conventional single-use plastics with durable, compostable, and recycled-content items, and developing best practices around waste sorting and education. We are on our way toward achieving zero waste to landfill by 2030. See page 15 for additional details on our roadmap to zero waste.

Achieve zero net operating impact to forests and habitat by 2030 by planting or restoring an acre of forest for every acre of forest displaced by our operations from FY 2017 onward*



\$1.19 million donated to organizations focused on healthy forests

12 acres restored in Colorado

Status: ON TRACK

In CY 2018, we funded the restoration of 12 acres of Engelmann spruce trees in western Colorado to address the 12 acres we displaced across our operations in CY 2017. We will continue to partner with groups such as the National Forest Foundation and the U.S. Forest Service to remain on track to achieve zero net operating impact on forests. More details about our work to support healthy forests and habitat are on page 21.

*Progress is based on FY 2017 baseline levels. Unless otherwise stated, all progress is reported based on FY 2018 performance. Capital spending and forest offset programs are reported as Calendar Year.



ZERO

NET EMISSIONS

ZERO NET EMISSIONS BY 2030



4.6%

Increase in greenhouse gas emissions

1.5%

Energy-efficiency savings in MMBtu from snowmaking and building upgrades

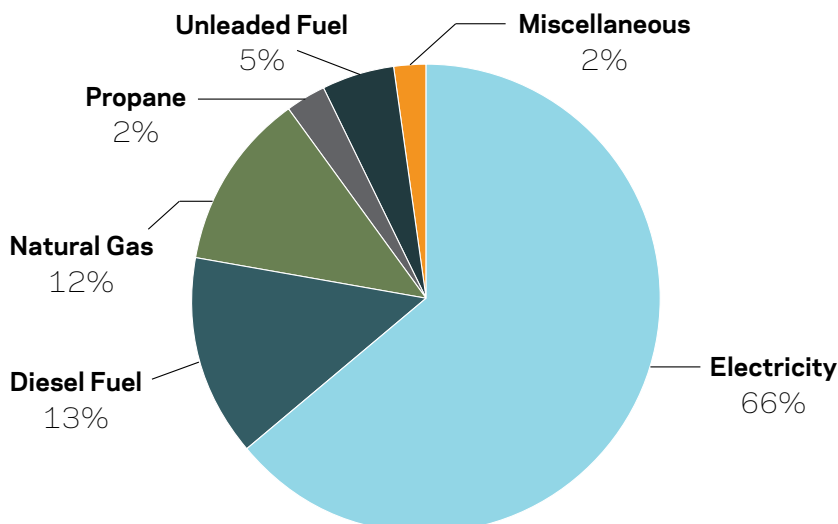
We set an ambitious goal for zero net emissions by 2030 because climate change is one of the most challenging issues facing our planet, and everyone has a responsibility to help address it. We are committed to managing our environmental footprint while continuing to provide an outstanding guest experience. To achieve this, we plan to operate more efficiently, continue investing in renewable energy, and support offset programs well into the future.

Vail Resorts' Greenhouse Gas Emissions (MTCO₂e)*

	FY 2017	FY 2018
Scope 1	69,120	67,316
Scope 2	121,221 Market-based	131,733 Market-based
	121,983 Location-based	131,101 Location-based
Total	190,341 Market-based	199,049 Market-based
	191,103 Location-based	198,417 Location-based

*Location-based scope 2 emissions represent the GHG intensity of the grids where we operate; the market-based total takes into account our conscious choice to purchase renewable energy in markets where available. Data reported in metric tons of carbon dioxide equivalent (MTCO₂e).

FY 2018 Emissions by Source (MTCO₂e)





Our objective in the first year of Commitment to Zero was to lay the groundwork necessary to reach our goal. We made great progress toward bringing more renewable energy to the grid, increasing our energy efficiency, and verifying our baseline numbers. Read on for the highlights of our first year.

Virtual Power Purchase Agreement

In November 2018, we proudly announced our engagement with Ørsted A/S to purchase 310,000 megawatt hours (MWh) of electricity annually from the Plum Creek Wind Project, a new wind project to come online in Wayne County, Nebraska in 2020. The electricity covered by this VPPA represents our estimated electricity usage for our North American resorts for all of FY 2019. This multimillion-dollar initiative brings more renewable energy to the grid, helps us achieve zero net scope 2 emissions for our estimated FY 2019 North American resort portfolio, and is a significant step towards our zero net emissions goal. This project, once online, also meets our requirements as members of RE100. See page 10 for more details on this exciting initiative.

Renewable Energy Partnership with Xcel

In 2018, we also signed on to participate in Xcel Energy's Renewable Connect program, which will bring 50 megawatts (MW) of solar energy to the electricity grid in Colorado.

\$2.4 Million Capital Investment

In addition to supporting large-scale renewable developments of wind and solar energy, in 2018 we invested \$2.4 million in energy-efficiency capital improvements and piloted impactful initiatives across all of our resorts. We are already planning for approximately a \$2.4 million capital investment in energy-efficiency projects for 2019. This will set us up for success on achieving our 15 percent energy-efficiency savings goal.

Greenhouse Gas Baseline Verification

We completed a comprehensive internal review of our greenhouse gas footprint and we engaged Environmental Resources Management Certification and Verification Services (ERM CVS) to provide third-party assurance of our FY 2017 baseline for scope 1, scope 2, and total scope 1 and scope 2 greenhouse gas emissions. The ERM CVS assurance statement can be found on page 41.

In FY 2018, our combined scope 1 and scope 2 greenhouse gas emissions totaled 199,049 (MTCO₂e), a 4.6 percent increase over FY 2017. This increase was a result of energy used for snowmaking, which was necessary to offset the historically low snowfall across the western United States during the 2017-2018 winter season.

METHODOLOGY

Emissions included in our inventory follow the Operational Control approach as defined by the World Resources Institute and World Business Council for Sustainable Business Development's Greenhouse Gas Protocol, the standard for companies worldwide. Included are snowmaking, lifts, owned facilities, leased facilities, and fuel consumed by our snowcats and vehicles. Excluded are hospitality management contracts and managed condominiums, which we do not own.

ZERO NET EMISSIONS COMMITMENT TO ZERO

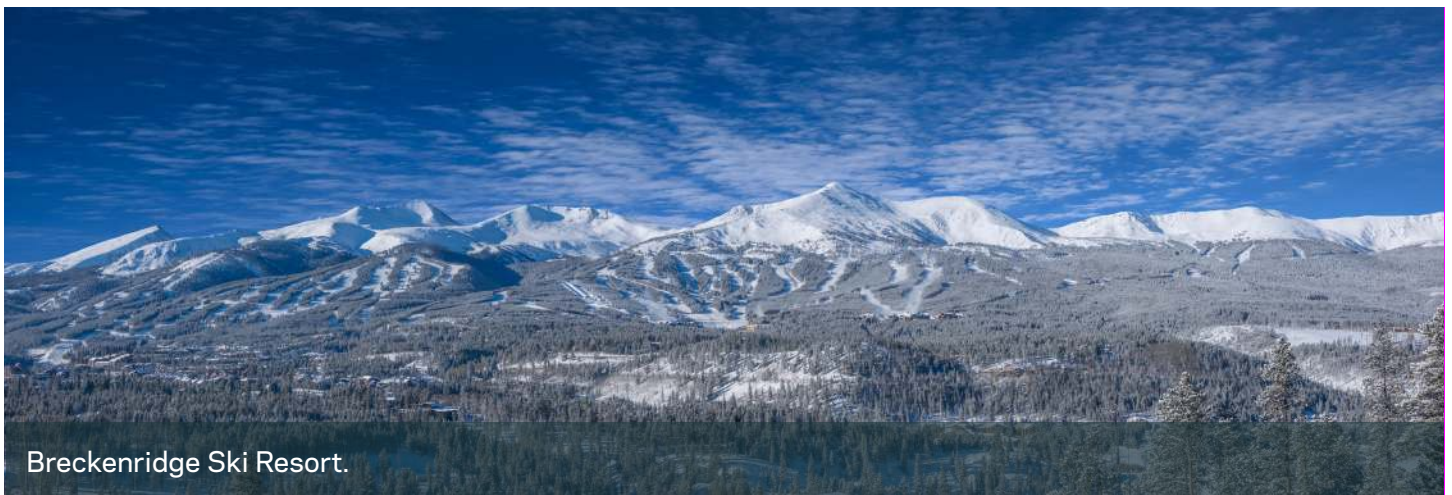
Despite our efforts, our emissions will continue to fluctuate every year based on factors such as how much snow we make, global weather patterns, and future acquisitions. While the VPPA and overall emissions reduction efforts put us on track to achieve our zero net emissions goal based on our carbon footprint today, we must continue to increase our energy efficiency in the face of these future uncertainties.

Prior to these changes and announcing our Commitment to Zero, we spent more than a decade looking for innovative and impactful ways to reduce our operating footprint. Between 2008 and 2016, we achieved a 19 percent reduction in electricity and natural gas use, after adjusting for acquisitions and weather.

PATH TO ZERO

Heading into the 2018-2019 season, we are preparing to implement even more energy-efficiency projects.

- High-efficiency or low-energy snowmaking equipment has improved significantly in recent years and we take advantage of these technological advances to improve our energy efficiency each winter. For the 2018-2019 season, we installed 240 energy-efficient snowmaking guns.
- Continuing the shift to LED lighting is a priority for us, and one in which we have invested heavily. After making significant progress across our on-mountain and retail facilities in the 2017-2018 season, we will continue the momentum as we increasingly switch out standard bulbs for LEDs.
- After conducting an in-depth energy audit at our Beaver Creek and Vail Mountain facilities, we will begin implementing a variety of energy-efficiency projects in the upcoming season. These projects will be focused on upgrading building controls at a number of facilities and conducting energy-efficient building maintenance such as retrofitting lighting with LEDs, HVAC controls and upgrades, and refrigeration motors and fan blades.



Breckenridge Ski Resort.

A CLOSER LOOK

VIRTUAL POWER PURCHASE AGREEMENT

Vail Resorts Announces Long-Term Wind Energy Contract

We are proud to announce that Vail Resorts entered into a long-term contract to purchase the equivalent amount of wind energy needed to power 100 percent of Vail Resorts' anticipated FY 2019 North American electricity use. This multimillion-dollar initiative enables the development of the Plum Creek Wind Project, from which Vail Resorts will purchase 310,000 MWh annually—or enough electricity to power 30,000 average U.S. homes each year. This VPPA is the first of its kind to be executed by a Colorado-based company as a buyer, and just one of many ways Vail Resorts is working to be an industry leader in preserving the environment by bringing more renewable energy online.

What is a virtual power purchase agreement?

A VPPA is a contract that allows us to source renewable electricity through the construction of a new renewable energy project—in our case, a wind farm. Vail Resorts commits to purchase 310,000 MWh annually from the wind farm at a set price, providing a reliable source of income for the project that allows for essential financing to bring it to life. The electricity generated on Vail Resorts' behalf will be sold directly back into the local wholesale electric grid, and we will retain the environmental attributes. This process is the formal and official way to reduce the emissions associated with our electricity use, and is an important part of achieving our zero net emissions goal.

What are the benefits of this VPPA?

VPPAs have long been recognized by experts in the industry as an important tool in creating new renewable energy sources. In conjunction with local efforts, VPPAs allow large companies to make significant impacts on climate change.

Where is the wind farm located?

The new wind farm is located in Wayne County, Nebraska, which is approximately 88 miles from Omaha. In addition to helping us reach our goal of zero net emissions by 2030, this renewable energy project will create high-paying and sustainable jobs in Wayne County and result in over \$3 million in community benefits to residents.

Why is it 'virtual' ?

What makes it 'virtual' is that the wind farm is not physically located near and providing direct power to any of our resorts' power grids. It can be difficult—almost impossible—to directly source such a significant amount of energy in the locations where our individual resorts are located. A VPPA offers us the most efficient solution to decrease the amount of greenhouse gases emitted into the atmosphere, while contending with regulatory, geographic, and technological realities that constrain renewable energy development.

A CLOSER LOOK VIRTUAL POWER PURCHASE AGREEMENT

How does a VPPA help Vail Resorts meet its emissions goals?

This VPPA gives us the opportunity to source the equivalent amount of electricity that we estimate we will use in FY 2019 at our 17 North American resorts (also known as our scope 2 emissions) through wind power. This includes all the electricity that is used to power our mountain operations, on-mountain dining locations, and hospitality locations.

How much wind energy will you be sourcing as part of the VPPA?

We have sourced 73.81MW of renewable energy through the VPPA or approximately 310,000 MWh per year over a 12-year term—equivalent to the estimated amount of electricity our 17 North American resorts will use in FY 2019.

What happens when the 12-year contract ends?

Our Commitment to Zero is an important part of our business and is increasingly engraining the value of sustainability in our company culture. While we cannot say definitively what is next, we can say that our Commitment to Zero is just the beginning.

With the significant impact of the VPPA on your scope 2 emissions, what does that leave you to accomplish by 2030?

We will have to address any increased energy usage beyond FY 2019, including new acquisitions and our scope 1 emissions (diesel, gasoline, etc.). We have also committed to achieving 15 percent energy-efficiency savings from our FY 2017 baseline by 2030, which will continue to require significant operational, capital, and behavioral changes across the Company. Climate change is a significant issue that impacts all of us—we must continue to work with our local utilities and government partners to bring more renewable energy to our communities, empowering others to reach their own emissions reduction goals.



Our VPPA will generate renewable wind energy in Wayne County, Nebraska.

ZERO NET EMISSIONS ENERGY EFFICIENCY

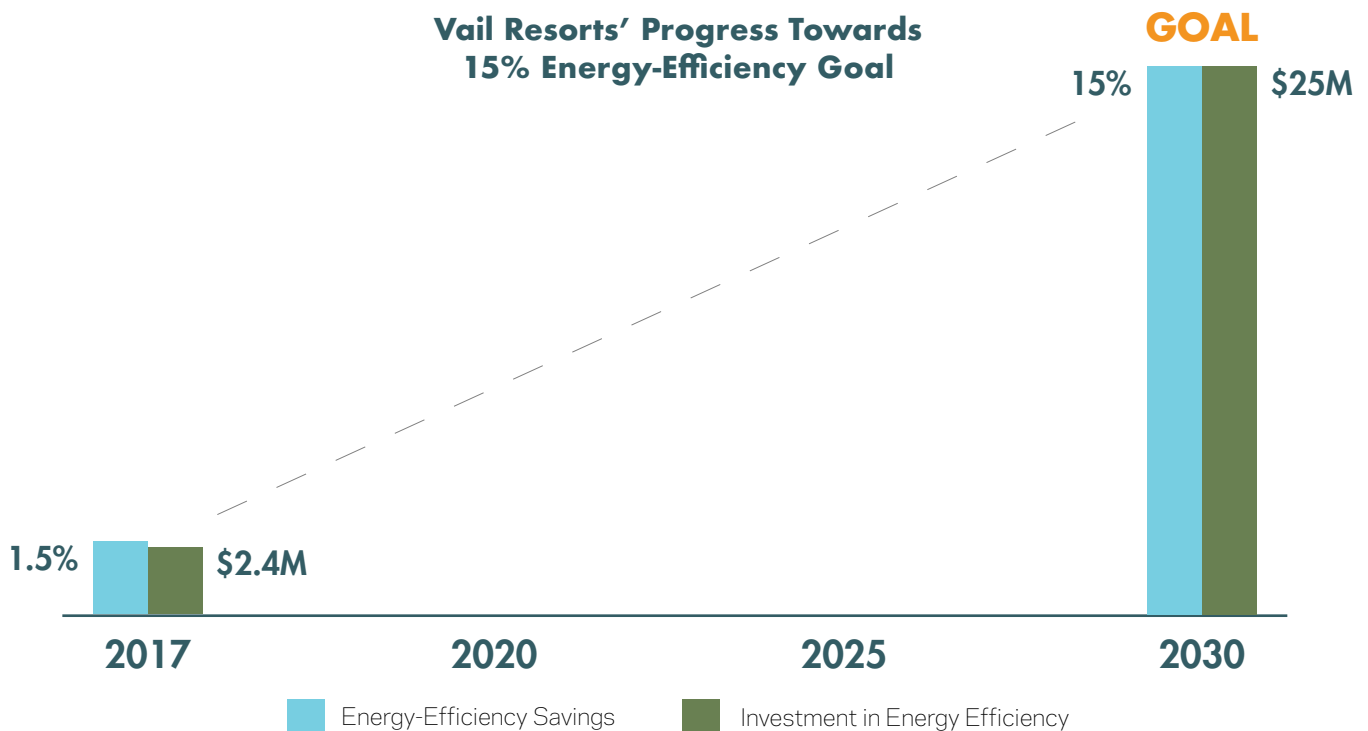
In FY 2017, Vail Resorts committed to invest \$25 million in innovative, energy-saving projects in three key business areas by 2030: snowmaking, buildings, and lifts. Implementing energy-efficiency projects is one of the most effective ways to reduce emissions that contribute to climate change. Our energy-efficiency goal is to decrease our electricity, natural gas, and propane by 213,000 Million British Thermal Units (MMBtu) by 2030. This is 15 percent of our 1,421,000 MMBtu FY 2017 baseline.

In FY 2018, we invested \$2.4 million in low-energy snowmaking and energy-efficient building upgrades, allowing us to achieve 1.5 percent energy-efficiency savings (or 21,000 MMBtu), towards our goal of 15 percent. This pace of energy savings puts us on track to meet our goal.

FY 2018 Capital Spending on Energy-Efficiency Projects*

Type of Project	Capital spending in 2018
Snowmaking	\$1.2 M
Facilities mechanical	\$0.4 M
Facilities lighting	\$0.8 M
Total spending	\$2.4 M
Estimated reduction in energy use (MMBtu)	21,000

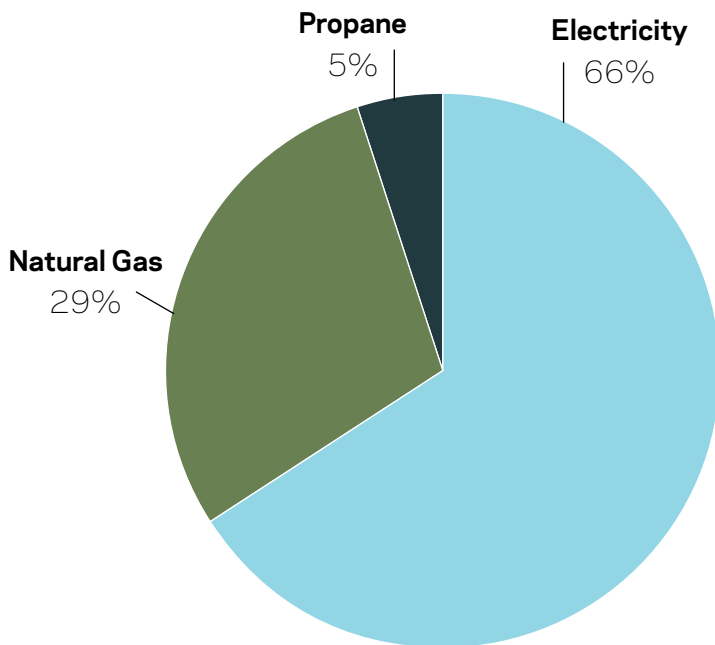
*Capital spending occurred during Calendar Year 2018.



ZERO NET EMISSIONS

ENERGY EFFICIENCY

FY 2018 Company-Wide Energy Usage (MMBtu percentage)*



*This figure shows the distribution of our FY 2018 energy usage, with the exclusion of fuel, as fuel is not part of our 15 percent energy-efficiency savings goal. Total FY 2018 energy usage was 1,484,000 MMBtu.

Whether skiing, boarding, sledding, or snowshoeing, we aim to provide our guests with quality snow during their winter visits to our resorts. Snowmaking helps us meet our guests' expectations during periods of low or late snowfall. In FY 2018, snowmaking represented one of our largest operating costs and 24 percent of our total energy use. We invest in low-energy snowmaking guns to help mitigate the environmental impact of weather variability. For example, Vail Resorts purchased 60 low-energy snowmaking guns to be used in the 2018-2019 season at Stowe Mountain Resort to replace conventional equipment with more efficient technology. We also made these changes at four other resorts and anticipate that the new equipment will reduce energy consumption by 2,086,000 kilowatt hours annually, the equivalent of 193 households' annual electricity use. We deployed an additional 240 low-energy snowmaking guns for the 2018-2019 winter season¹.

A CLOSER LOOK: ENERGY EFFICIENCY AT WHISTLER BLACKCOMB

Whistler Blackcomb has a long history of preserving, protecting, and conserving. In FY 2018, **Whistler Blackcomb ranked Number 1 in the hospitality sector for energy conservation** by British Columbia Hydro Power and was recognized as one of Canada's Greenest Companies for the tenth year in a row by the editors of Canada's Top 100 Employers.

While we are proud of our successes, we know there is more to be done. Even though electricity use at Whistler Blackcomb has remained relatively constant since 2005 despite growth, we continue to design, retrofit, and optimize for increased energy efficiency. In FY 2018, we completed several LED lighting retrofits at the resort and added more building and snowmaking controls. We anticipate these projects will save 2,253 MMBtu—11 percent of our FY 2018 energy-efficiency savings.

¹Water is a significant component of snowmaking and a critical resource that supports the health of ecosystems and communities. Unlike water use in other industries, most of the water used for snowmaking is non-consumptive. This means that it returns to the local watershed via snowmelt and is then available for immediate use. As such, we focus on reducing the energy use associated with snowmaking, since that has the biggest environmental impact.

ZERO NET EMISSIONS ADVOCACY AND COLLABORATION

We are proud to be a signatory of the *We Are Still In* declaration and a member of the Ceres Business for Innovative Climate and Energy Policy program to help drive meaningful climate change policies. We continue to publicly express our regret in the United States' decision to withdraw from the Paris Agreement. Vail Resorts will continue to support local, regional, national, and global efforts to mitigate climate change and increase the supply of renewable energy sources. Climate change is an imminent global challenge that cannot be addressed without significant collaboration.

In addition to these national efforts, we are actively engaging with local partners on a variety of climate change and renewable energy initiatives.

- Participating in the Tahoe-Truckee Regional Climate Action Collaborative created by the Sierra Nevada Alliance to reach 100 percent renewable energy in the Tahoe region
- Supporting Xcel Energy's Colorado Energy Plan to bring an additional 1.8 gigawatts of renewable energy onto the grid through wind power and solar generation, which was approved in August 2018
- Aiding in the creation, adoption, and implementation of the Climate Action Plan in Summit County, Colorado, which provides local governments with a framework to guide sector-specific climate actions
- Sponsoring Rocky Mountain Power's request for proposal for 308,000 MWh of renewable energy in Utah, which could lead to a significant increase in the amount of solar, wind, and geothermal projects in Utah
- Supporting Senate Bill 100, which, signed into law in September 2018, accelerates California's renewable energy plans toward a goal of receiving all its electricity from carbon-free resources by 2045
- Engaging in the Climate Action Plan for Eagle County, Colorado, which recommends implementing county-wide greenhouse gas emissions reduction targets of 25 percent by 2025 and 80 percent by 2050

"We're delighted to welcome Vail Resorts to RE100. Vail Resorts is demonstrating clear leadership in its commitment to source 100 percent renewable electricity, a key step in helping the company reach zero net emissions by 2030. We look forward to others following this example."

**– Sam Kimmins, Head of RE100
at the Climate Group**

A CLOSER LOOK: BRINGING SOLAR ENERGY TO THE GRID IN COLORADO

In August 2018, we signed on to participate in the Renewable Connect program offered by Xcel Energy in Colorado. As part of the program, commercial customers can subscribe to a percentage of power generated by a new 50 MW solar facility in Deer Trail, Colorado. This new program allows Vail Resorts to reduce the greenhouse gas emissions associated with electricity use at Breckenridge and Keystone Resorts in Colorado for 10 years.

The program will bring additional renewable energy into the grid, which helps us reach our goal and positively impacts the Colorado communities in which we operate. We are proud to continue to partner with an innovative utility provider like Xcel Energy to create more sustainable options for our local communities and governments as they work to reach their own sustainability goals.



ZERO

WASTE TO LANDFILL

ZERO WASTE TO LANDFILL



7.7M

Pounds of waste diverted from landfill by recycling and composting, and refined our waste measurement methodology

Vail Resorts plans to achieve zero waste to landfill by 2030 by reducing the amount of waste we generate, while diverting unavoidable waste to more sustainable pathways. Our interim goal is to increase our waste diversion rate from 37 percent in 2017 to 50 percent by the end of 2020² Our world faces a serious solid waste challenge that stems from growing populations and consumption patterns. Waste contributes to a variety of negative environmental impacts, from the release of greenhouse gas emissions to plastic pollution. According to the U.S. Environmental Protection Agency, landfills accounted for 14.1 percent of all methane emissions in the United States in 2016. Effectively managing waste disposal is critical to minimizing local and global impacts on ecosystems and human health.

METHODOLOGY

Waste and diversion values include our mountain and hospitality operations. Facilities and operations that we do not own are excluded, such as third-party employee housing. We utilize actual hauler weights when available, or convert from volume to weight using U.S. Environmental Protection Agency standard conversion factors.

Each year, our Whistler Blackcomb Sustainability team partners with Crankworx to minimize waste sent to the landfill as a result of the 10-day festival.

This year, the team achieved an 86-percent diversion rate, rerouting 7,300 pounds of waste away from landfill.



²A more precise analysis of the FY 2017 waste diversion rates shows our current progress at 37 percent rather than the 40 percent previously stated.

CHANGE STARTS HERE

During the 2018–2019 season, we will invest in and expand our zero waste efforts to achieve a 50 percent waste diversion rate by the end of 2020. Each one of our resorts and communities is different. We will tailor the products used in each of our restaurants to align with the realities of regional disposal capabilities. Some of these initiatives include:

1 REDUCING THE AMOUNT OF WASTE WE GENERATE ACROSS THE COMPANY

Reduction is the necessary first step to accomplish zero waste, and to launch this effort, we are replacing 269,000 single-use wax paper cups with reusable tumblers from PepsiCo everywhere that dishwashing is available. Last season many of our resorts started making the shift to reusable cups and this initiative will expand that effort. We will continue to look for opportunities to switch to durable items or eliminate the product all together.

PARTNERING WITH ECO-PRODUCTS AS OUR NEW ZERO-WASTE PARTNER

Eco-Products will supply sustainable packaging and products to all of our North American restaurants enterprise-wide. Through this partnership, we are working to eliminate conventional single-use, guest-facing plastic products (approximately 70,000 cases) such as cups, beverage lids, plates, bowls, cutlery, to-go containers, and pre-made meal containers and replacing them with compostable or recycled-content products. Anywhere a durable, compostable, or recycled-content item is an option over conventional plastic, we are making the switch. Through this effort we are expecting to divert nearly 300 tons of waste from landfills over the next two seasons.

2



3

EXPANDING AN ENTERPRISE-WIDE SMART STRAW INITIATIVE

As part of our effort to reduce conventional single-use plastics, we will only provide straws upon request and only offer compostable straws. While eliminating conventional plastic straws will not get us to zero waste, it is an important step in raising awareness among our guests and employees.

INTRODUCING WASTE TRACKING SENSORS

Waste-tracking sensors help us better measure our current waste streams and identify inefficiencies. We started this initiative last year at Whistler Blackcomb and are looking to expand it enterprise-wide this season.

4



5

ACTIVELY WORKING WITH COMMUNITY PARTNERS

We work with our partners to ensure that we have recycling and composting facilities able to accommodate the increased amount of material we will divert from landfills. We are also improving our internal infrastructure so it is ready to accommodate the expected increase in diversion.

We are developing large-scale, comprehensive, composting programs across our resort portfolio. While no single approach fits all of our resorts, these programs will generally include a mix of retrofitting haul cats and loading docks, purchasing and installing compactors, purchasing composting bins, and designing efficient programs for how to move compostable waste around and off the mountain.

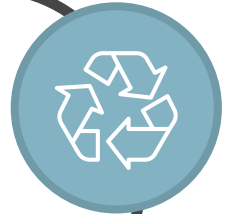


Program changes cannot be fully effective without employee behavioral change. We plan on developing a comprehensive employee training and education program that drives behavioral change around composting. When our employees are able to understand and properly utilize our composting systems, they will be able to educate our guests. We anticipate these large-scale composting programs will, over multiple years, create the capacity to divert an additional 900 tons from landfills.

LAUNCHING A NEW WASTE DIVERSION PROGRAM AT PARK CITY

This two-phase, on-mountain, full-scale waste diversion program at Park City Mountain will target food scraps and compostable packaging. Once the infrastructure, sorting, and educational components of this program are fully implemented over the next two years, the program will divert approximately 420 tons of waste from landfill annually.

6



7

CREATING AN ENTERPRISE-WIDE BEST PRACTICES GROUP

Leaders from around the Company are coming together to identify opportunities for improved sustainability practices. The group is working to create scalable options for waste sorting, disposal, and diversion, as well as to educate employees on how best to reduce the amount of waste sent to landfills.

WORKING WITH GRADUATE STUDENTS TO CONDUCT WASTE AUDITS

We worked with students from the University of Colorado Masters of the Environment program to conduct waste audits at Vail Mountain and Breckenridge Resort during the 2017-2018 season. The audit results allowed us to identify opportunities for improvement, and understand how to scale these changes at other resorts.

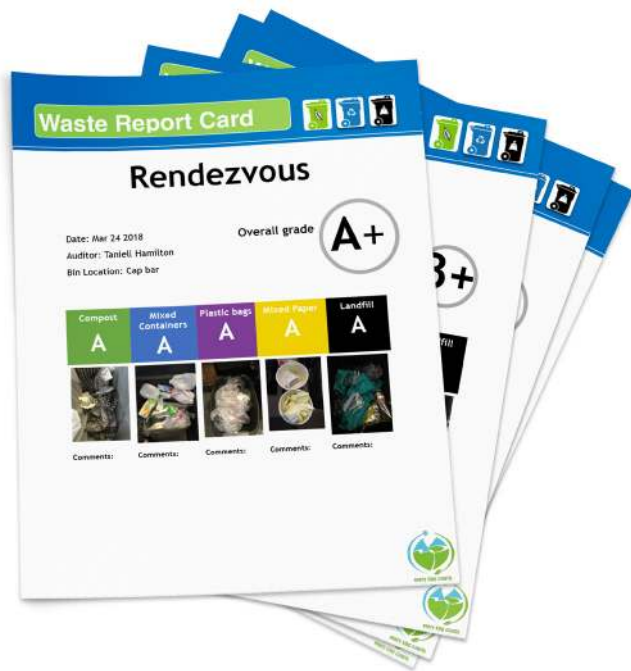
8



PATH TO ZERO

ZERO WASTE TO LANDFILL WASTE DIVERSION

We divert waste from our operations through a combination of recycling and composting by implementing programs that reflect the unique operational needs, resources, and available infrastructure at each resort. Additionally, we have conducted waste audits at several resort locations to evaluate purchasing practices and identify opportunities to improve diversion rates. Annually, we divert 7.7 million pounds of waste from the landfill and currently 37 percent of our waste is recycled or composted, including scrap metal, cardboard, paper electronics, glass, and aluminum.



FY 2018 Waste Management

Type	Amount (U.S. tons)	Diversion (percent)
Landfill	6,618	37
Recycling & Compost	3,859	
Total	10,477	

Our employees are the key to success in achieving zero waste to landfill. We equip managers with actionable data and resources so they are empowered to implement best practices for waste diversion and create meaningful operational efficiencies. For example, to help improve diversion, managers at our Whistler Blackcomb restaurants receive biweekly report cards during the winter season that detail successes as well as opportunities to improve sorting. This personalized feedback on performance allows each location to increase accountability and improve transparency.

Rendezvous Restaurant at Whistler Blackcomb received an A+ on their March 2018 waste report card, after receiving a C- on their first in November 2017.

Additionally, at Vail Mountain we collect expired day passes and send them to e-waste facilities for recycling. At many of our resorts we are greatly reducing our paper ski maps and ultimately working to transition to digitized maps. Since the 2010-2011 season, we have decreased paper trail maps at Beaver Creek by 71 percent and at Vail Mountain by 54 percent. For those guests using paper maps, we offer ski map collection bins located throughout the resorts to encourage the recycling of unwanted maps.

Composting helps return valuable organic matter and nutrients to the soil and reduces the amount of waste we direct into landfills. In FY 2017, Grand Teton Lodge Company in Wyoming won a Green Innovation award from the National Park Service for diverting 17,219 pounds of pre-consumer food waste at three Park locations. By collaborating with local farms, Grand Teton Lodge Company is able to turn pre-consumer food waste into animal feed instead of using traditional disposal methods.

A CLOSER LOOK: COMPOSTING FOR MOUNTAIN DINING IN KEYSTONE, COLORADO

The U.S. Environmental Protection Agency estimates 95 percent of the food thrown away in the United States ends up in landfills or combustion facilities. By managing food sustainably and reducing waste, we can reduce emissions and conserve resources. At Keystone Ski Resort, we recently enhanced the composting program by developing employee-managed sorting stations that shift the responsibility for sorting waste from guests to Vail Resorts employees.

**103
TONS**

This new approach helped significantly increase diversion rates at on-mountain restaurants. In total, Keystone composted 103 tons of food waste from March 2017 to February 2018, 26.5 tons of which came from on-mountain dining. While the launch of the program has been a success, we will achieve even greater diversion rates through more targeted training and education of our passionate employees.

ZERO WASTE TO LANDFILL WASTE REDUCTION

Achieving zero waste to landfills is not possible without making significant material reductions, in addition to improving diversion processes. At Vail Resorts, we analyze our purchasing patterns and work to minimize the waste created in our daily operations. For example, our retail stores successfully collaborated with procurement teams to reduce ski helmet packaging by organizing bulk shipments that minimize the amount of individually wrapped packages.

A key first step in minimizing waste is effectively measuring and tracking performance. Due to the scale and complexity of Vail Resorts' operations, tracking our waste can be a complicated task. During the first year of our Commitment to Zero, we conducted audits and pilot programs to gain a better understanding of where our waste originates and where it goes.

For example, we conducted a pilot program at Park City Mountain to eliminate single-use conventional plastics at restaurants. In FY 2018, Park City Mountain replaced disposable paper cups with durable cups, reducing the number of cups sent to the landfill by an estimated 90,000 per year. Making the switch to reusable cups is not only a win for the environment but also provides guests with a better experience and offers a return on investment in under two years. We are expanding this program across all on-mountain dining locations where dishwashing is available, and will continue to shift to durable items whenever feasible.



Whistler Blackcomb staffs the zero waste stations at Crankworx each year, educating guests about how to properly dispose of their waste.



ZERO

NET OPERATING
IMPACT ON FORESTS

ZERO

NET OPERATING IMPACT ON FORESTS AND HABITAT



\$1.19M

Donated to organizations focused on healthy forests

12 ACRES

Restored in Colorado

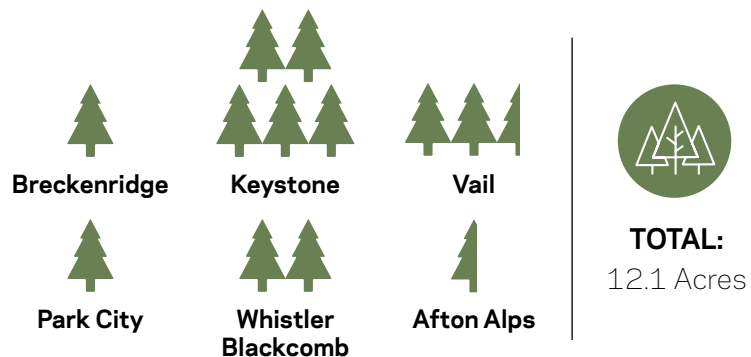
Vail Resorts intends to achieve zero net operating impact on forests and habitat by 2030 by planting or restoring an acre of forest for every acre of forest displaced by our operations from 2017 onward, with the goal of creating healthier, more resilient forests. Healthy forest habitats are critical to the resilience of mountain environments and the preservation of the iconic landscapes we love.

FOREST HEALTH & MITIGATION

Managing the health of forests requires sound, long-term planning. Before beginning a project, we estimate the number of acres that will be disturbed and work to identify potential mitigation plans. When a disturbance is unavoidable, our mountain planners track the acreage displaced through geographic information systems mapping and the Company offsets the aggregated acres of disrupted forest from that calendar year.

In CY 2018, we funded the restoration of 12 acres to offset the 12 acres of forest we displaced across our operations in CY 2017 by widening ski runs and trails, reducing safety hazards, and adding new lifts and summer activities. We seek acre-for-acre forest projects that offer the greatest benefits for biodiversity and wildlife through partnerships with environmental organizations such as the National Forest Foundation, rather than limiting project scopes to planting trees within resort boundaries.

Acres Offset in 2018* 1 Acre to Offset



*Forest offset program spending occurred during Calendar Year 2018



A CLOSER LOOK: SUPPORTING THE RESTORATION OF NATIONAL FORESTS IN COLORADO

Vail Resorts supported the National Forest Foundation and the U.S. Forest Service with their effort to restore National Forests along the western slope of Colorado's Rocky Mountains to offset the acres we displaced in 2017. An outbreak of the invasive spruce bark beetle has significantly affected this area, leading to loss of critical Engelmann spruce trees. To help re-establish the tree population, Vail Resorts funded the restoration of 12 acres of Engelmann spruce trees. In total, the U.S. Forest Service plans to restore 400 acres across the Grand Mesa, Uncompahgre, and Gunnison National Forests as part of this large-scale effort. Enhancing the forest cover will help preserve existing biodiversity and restore an important habitat corridor for the threatened Canada Lynx.

Since 2006, Vail Resorts and our guests have made gifts totaling more than \$5.25 million to the National Forest Foundation, donations that have funded more than 170 projects. Learn more about how we support environmental and social impact non-profit organizations in our communities on page 24.

“Vail Resorts has been a committed partner of the National Forest Foundation for more than a decade. This initiative marks an exciting expansion of our work together and demonstrates Vail Resorts’ commitment to the National Forests. We commend Vail for its efforts and look forward to improving our shared National Forests together.”

**– Mary Mitsos,
President of the National
Forest Foundation**





COMMUNITY

GIVING AND VOLUNTEERISM

COMMUNITY GIVING AND VOLUNTEERISM

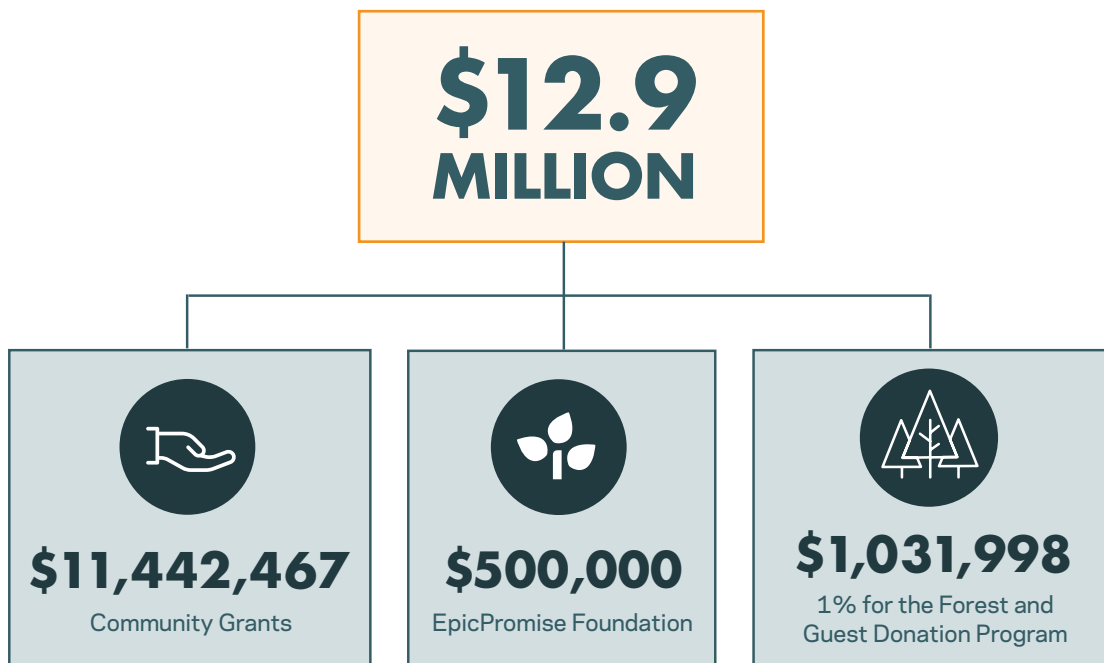
250+

Organizations received community grants from Vail Resorts

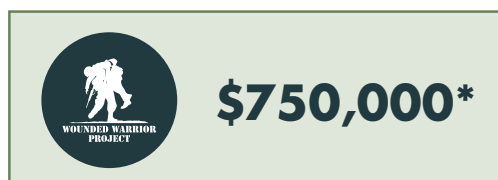
EpicPromise is how we embody our foundational value—Do Good. By supporting the health of our communities through local grants and employee volunteering, we aim to help create a more promising future for the regions surrounding our resorts.

We collaborate with more than 250 organizations that help positively impact the communities where we work, play, and live. Vail Resorts provides direct grants to non-profit organizations in the form of cash donations and in-kind contributions. We take a localized approach to community giving that focuses on programs that benefit youth and the environment.

FY 2018 Vail Resorts' Contributions



Wounded Warrior Project Support



*Totals for the Wounded Warrior Project are estimated based on 2017-2018 Ski Pass sales and are expected to exceed \$750,000.



COMMUNITY GIVING

Our community support is local—to where we live, to the issues that impact our employees, and to programs that help our neighbors. Our community grants are directed primarily to non-profits that are helping the resort communities where we operate. Last year, our contributions were over \$12.9 million, and of that, we granted \$11.4 million to more than 250 non-profits, all based in our local resort communities.

It's important that our community support adapts to the unique issues and challenges that come along with living in a mountain community. So we listen to community leaders, non-profits, and our employees through annual listening events with local non-profit organizations to better understand community priorities and make sure that our giving priorities support timely needs and impactful programming. Local resort leaders work closely with community partners to better understand what issues matter most and ensure that grants are allocated in the most effective and impactful way. Grants are awarded locally by a team of employees who are fervently passionate about strengthening the relationships between our employees and their communities.

Of the \$11.4 million allocated in 2017 through the community grants program, \$7.3 million supported initiatives specific to children.

In short, our strong community relationships and open dialogue guide how we give. From mental health to early childhood education, food security to cost of living, the sustainability of our resort communities is imperative. Building and maintaining strong ties between our resorts, our corporate office, and local non-profits allow us to offer meaningful and lasting community support.

While we make sure that our giving is meeting the unique needs of each community, all of our communities understand the importance of supporting and developing youth. Enterprise-wide, our giving reflects this imperative aspect of community sustainability. Of the \$11.4 million allocated in 2017 through the community grants program, \$7.3 million supported initiatives specific to children. EpicPromise Kids is a specific granting initiative that supports everything from basic food and security needs to equitable outdoor recreation access, all with a focus on youth needs. This initiative also includes an opportunity for local employees to vote for one kid-centric organization; the winning organization receives an additional \$5,000 on top of their annual grant award.

In addition to our issues-based giving, in March 2018 we announced special new Military Epic Pass products to honor the epic service of our Company's founders from the 10th Mountain Division, and the men and women of the U.S. Armed Forces, Canadian Armed Forces, and the Australian Defence Force. This pass allows current and past members of the military and their families to ski at our resorts for a highly discounted price. Additionally, for every season pass sold for the 2018–2019 season, \$1 will be donated to the Wounded Warrior Project—a non-profit that offers a variety of programs, services, and events for wounded military veterans. Based on last year's pass sales, this donation is expected to exceed \$750,000.

COMMUNITY COMMUNITY GIVING

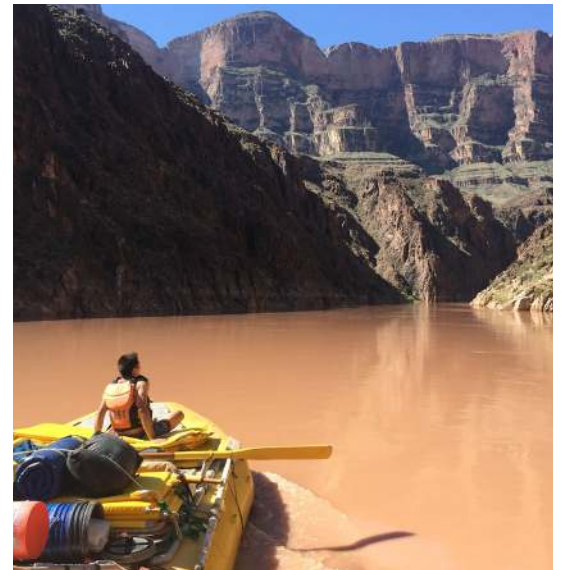
A CLOSER LOOK: SOS OUTREACH HELPS KIDS GEAR UP FOR LIFE

The communities in which we operate are an integral part of our resorts. We want to be a good corporate citizen by giving back to local communities, working along the spectrum of local needs from food insecurity and access, to medical care, to critical mentor and academic programs for children. SOS Outreach, our largest non-profit partner, is one of the largest sports-based youth development non-profits in the nation. Founded in 1993 in partnership with Vail Resorts, SOS Outreach uses outdoor experiences such as snowboarding, skiing, hiking, and camping as a platform to help underserved youth learn lifelong lessons and skills. During FY 2018, more than 3,000 children across 11 Vail Resorts locations participated in the program.

SOS Outreach recruits children starting at eight years old who exhibit early indicators of needing additional support. The non-profit provides prevention-based programs through age 18 to help these kids build healthy and successful futures. Kevin Garcia, an SOS participant for 10 years in Eagle County, Colorado, credits SOS Outreach with building his confidence and capabilities as a leader and supporting his personal and academic success, culminating in an athletic scholarship for soccer at Williams College.

Since its inception, SOS has influenced the lives of an estimated 60,000 youth through outdoor experiences coupled with positive mentorship, character development, and values-based leadership training. Recent program results indicate that participants are reporting increased competence in outdoor adventures, a positive attitude toward the future, and an interest in and understanding of the importance of doing well in school.

**60,000
YOUTH**



“Every trip [with SOS] has been a unique and amazing experience that I will never forget. This final trip [down the Grand Canyon] will test my limits, allow me to practice my leadership, know myself more deeply, and practice being intentional with my actions.”

**– Kevin Garcia,
SOS participant**

COMMUNITY COMMUNITY GIVING

A CLOSER LOOK: PC TOTS

On a national level, affordable childcare and early childhood education have been identified as a critical need for building healthy communities, and this is especially true in our mountain towns. In Park City, Utah and surrounding areas, access to quality and affordable early childhood education is always a top priority. Recognizing this gap in services, in 2016, multiple community organizations stepped up to create PC Tots—a non-profit focused on providing high-quality, affordable, and safe childcare for working families in the Park City community. Accepting children as young as six weeks old and offering extended hours from 7 a.m. to 6 p.m., the PC Tots childcare tuition model based on family income is meant to accommodate a diverse socioeconomic and cultural mix of children, encouraging greater community integration.

In 2017, EpicPromise provided PC Tots with a substantial grant to provide deep tuition subsidies based on a family's ability to pay. Regardless of snow days, school holidays, or the time of year, PC Tots families have stability and affordability when it comes to childcare. **With a current waitlist of more than 115 families, the work of PC Tots is not done and we look forward to continuing our partnership in the future.**



PC Tots kids get a quality early childhood education regardless of their circumstances.

COMMUNITY COMMUNITY GIVING

A CLOSER LOOK: WHISTLER BLACKCOMB'S INDIGENOUS PARTNERSHIPS

In 2017, Whistler Blackcomb signed a unique agreement with the two Indigenous communities upon whose traditional territory the resort operates. **The agreement creates a 60-year pathway of partnership between Whistler Blackcomb, the Lil'wat Nation, and the Squamish Nation.** During the first year of agreement implementation, Whistler Blackcomb provided more than 700 lift, lesson, and rental packages for youth from these Nations during the 2017-2018 winter season, as well as 28 season passes. During summer 2018, Whistler Blackcomb supported the Lil'wat downhill mountain bike team, and began working with the Squamish Nation to develop a Squamish downhill mountain bike team. In addition, the Lil'wat Nation—through their joint venture partnership with Murphy Construction – constructed the mid-station storage facility on the new Blackcomb Gondola, one element of the CAD \$66 million in on-mountain improvements at Whistler Blackcomb, that will open for the 2018-2019 winter season.



Whistler's Crankworx mountain bike festival showcased an exploration of the unique relationship mountain bikers and the First Nations communities around Whistler share to the land and natural environment, as seen through the eyes of French filmmaker Damien Vergez.

Photo by: Damien Vergez, FastFokus

COMMUNITY COMMUNITY GIVING

A CLOSER LOOK: KATZ AMSTERDAM CHARITABLE TRUST AND FOUNDATION

Vail Resorts CEO Rob Katz and his wife, Elana Amsterdam, have made a significant commitment to give back and make a difference in local resort communities. During the last five years, they have made personal contributions totaling \$7.7 million to non-profits that work to improve the lives of children and families, including:

- Monaro Early Intervention Services—Cooma, NSW, Australia
- First Nations Youth Programs—Whistler, BC
- Whistler Blackcomb Foundation—Whistler, BC
- The Boys and Girls Club—North Lake Tahoe, CA
- Tahoe Truckee Youth Health Initiative—North Lake Tahoe, CA
- Bread and Broth Kids Backpack Program—South Lake Tahoe, CA
- The Boys and Girls Club—South Lake Tahoe, CA
- Emergency Family Assistance Association—Boulder, CO
- Trust for Public Lands—Boulder, CO
- SOS Outreach—Denver, CO
- Take Note—Denver, CO
- Eagle County Early Childhood Task Force—Eagle County, CO
- Our Community Foundation—Eagle County, CO
- Bright Futures Fund—Summit County, CO
- Summit County Care Clinic—Summit County, CO
- PC Tots—Summit County, UT
- Park City Community Foundation—Park City, UT
- Moose Corner Children's Academy—Jackson, WY
- Stowe Land Trust—Stowe, VT

In December 2017, Rob and Elana announced the creation of the Katz Amsterdam Foundation and Charitable Trust with an investment of nearly \$90 million. The Foundation's initial focus is on mental and behavioral health issues in mountain resort communities, and provides funding to the following organizations:

- Whistler Community Services Society—Whistler, BC
- Tahoe Truckee Community Foundation—Truckee, CA
- Boulder Community Health—Boulder, CO
- Our Community Foundation—Eagle County, CO
- The Summit Foundation—Summit County, CO
- Operation Homefront—USA
- Jewish Family Service, Christian Center of Park City, and the Summit County Health Department—Summit County, UT
- U.S. Ski & Snowboard Athlete Career and Education—Park City, UT

COMMUNITY ENVIRONMENTAL GIVING

Our resorts operate in some of the most beautiful places in the world and we make sure that our community giving supports the preservation and improvement of these landscapes. In FY 2018, we generated more than \$218,000 for preserving wildlife habitat through our 1%

\$218K for the Forest program, as well as our guest donation initiative and direct community-based grants.
GENERATED

Through our 1% for the Forest program, we donate one percent of total profit generated through our Epic Discovery experiences to The Nature Conservancy. As guests take scenic hikes, ride zip lines and alpine coasters, and learn about local wildlife and habitat, one percent of their activity revenue is used for forest health restoration projects local to our resort communities.



“With a growing number of land acquisitions, restoration and forestry work, and improvement of recreational access to projects at hand, the Truckee Donner Land Trust is so appreciative of the EpicPromise grants from Northstar California and Vail Resorts. EpicPromise grant funds have been used toward the acquisition of Carpenter Valley and Webber Lake, along with making the Black Wall trail sustainable and user-friendly, to name a few. The continued support and partnership with Northstar and EpicPromise fosters meaningful land conservation in the region and creates momentum toward protecting our amazing landscape.”

**– John Svahn,
Truckee Donner Land Trust**

Our guests share our great passion for the environment and feel deeply connected to the iconic landscapes surrounding our resorts. Our voluntary guest donation program enables them to contribute \$1 on resort purchases to give back to the mountains where they play and recreate. Through this program, we partner with the National Forest Foundation, Tahoe Fund, Grand Teton National Park Foundation, Whistler Blackcomb Foundation EnviroFund, and Mountain Trails Foundation to provide grants focused on restoration, trails, watersheds, and habitat. Since 2006, Vail Resorts and its guests have given \$5.26 million to the National Forest Foundation.

Additionally, a portion of our annual community grants goes to local environmental organizations. These organizations work on a variety of issues such as watershed health, forest resilience, stream restoration, public education, energy efficiency, waste reduction and diversion, and more.

COMMUNITY ENVIRONMENTAL GIVING



“We have been very grateful to receive Vail Resorts EpicPromise funding for our Conservation Program, which saves the land and waters most important to our communities here in Summit County, Utah. Since Vail Resorts EpicPromise has started supporting our Conservation Program, the Summit Land Conservancy has been able to increase the number of transactions we do per year from 1-2 to 5-6. Your dollars are leveraged as we are also now able to access large federal grants that help us save these open spaces. In fact, the Summit Land Conservancy is the recipient of the largest federal farmland protection grant in the state of Utah.”

– Cheryl Fox,
*Executive Director,
Summit Land Conservancy, Utah*

“Environmental sustainability is critical to keep the beauty of Summit County that we all enjoy. We appreciate Vail Resorts’ strong commitment to this effort, as well as everything else they do to support our community.”

– Jeanne Bistranin,
*Executive Director,
The Summit Foundation, Colorado*



COMMUNITY VOLUNTEERISM

In FY 2018, 5,705 employees donated 26,284 hours of company-sponsored volunteer time. While grants are critical in supporting our non-profit partners, volunteering is what connects our employees to the work these organizations do. Volunteerism empowers our employees to positively impact their neighbors, friends, and coworkers.

We offer several opportunities for employees to get involved in volunteer projects.

- EP40 grants employees 40 hours of paid time off to volunteer with an organization of their choice. Since the program's inception, more than 60 EP40 volunteers have contributed their time and talents to communities in Nepal, Honduras, Mexico, Peru, and Nicaragua, as well as to local programs.
- EpicPromise CONNECT provides employees with Company-sponsored time to volunteer at large community events such as farmers markets and town festivals.
- EpicPromise Week brings together more than 2,200 volunteers across 30 projects to lend a hand for this annual volunteer day, where employees and their families and friends get to spend a day working on a large regional project.
- Team-based volunteering deploys departmental teams of employees to small, local volunteer projects as an opportunity to grow their working relationships—one of the best ways to grow a team is to give back together.



Stowe Mountain Resort employees picking carrots for a local food bank.

A CLOSER LOOK: EPICPROMISE WEEK

EpicPromise Week is Vail Resorts' enterprise-wide, annual volunteer week that brings together employees, friends, and family members to complete volunteer projects in every resort community. In September 2018, more than 2,242 Vail Resorts employees participated in EpicPromise Week, resulting in 8,968 hours of volunteer service across 30 different projects from California to Michigan, Canada, and Australia. Participating employees helped build trails, restore public lands, feed local families, and support local schools.

COMMUNITY VOLUNTEERISM

A CLOSER LOOK: HABITAT BUILD WEEK

Each October, our Eagle County employees leave a permanent mark on the Vail Valley. For five days, different departments from Beaver Creek Resort and Vail Mountain lend a hand at one of Habitat for Humanity Vail Valley's (HFHVV) construction sites. The progress from Monday through Friday is truly amazing—**Habitat Build Week brought out 175 employees for a total of 750 volunteer hours in 2018.**

Habitat Build Week is always a highlight for the employees involved and it also is just one way that we have partnered with HFHVV over the years. **Since 1995, HFHVV has assisted 74 local families to increase their strength, stability, and self-reliance through homeownership.**

“Through our partnership with Vail Resorts EpicPromise, Habitat for Humanity has built 56 homes since 2008. Vail Resorts’ steadfast support of Habitat and other Eagle County non-profits encourages a spirit of collaboration and allows our community to thrive.”

**– John Welaj, Executive Director
Habitat for Humanity Vail Valley**



Eagle County, CO employees in action at Habitat Build Week 2018.

“The experience of participating in Habitat Build Week is much bigger than the exercise of helping to build a house. Our team works for a company that strongly supports community involvement and volunteer efforts. This is clearly a ‘Do Right’ effort encouraged for work and life. Our team members’ experience is something that will have immediate impacts and will stay with them for years. This includes futures where they may move on to different locations and different companies. It is a life experience that builds compassionate leaders and memories that start with Vail Resorts.”

**– Michele Eggers,
Resort Operations Manager, Vail Mountain**



epicpromise™
EMPLOYEE
FOUNDATION

EPICPROMISE EMPLOYEE FOUNDATION KINDNESS MOVES MOUNTAINS



\$1.85M

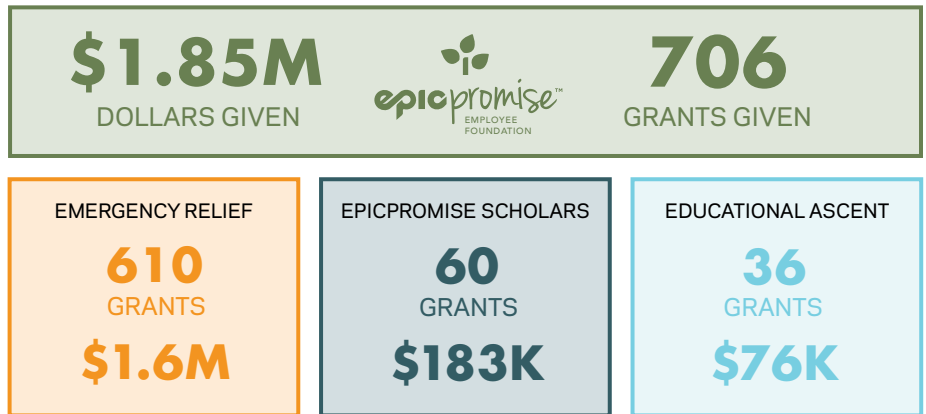
Given to more than 700 employees since the Employee Foundation's inception in 2016

\$904K

Given to 328 employees in FY 2018

Our employees are brave, ambitious, and passionate women and men from around the world who are striving to serve others to create the Experience of a Lifetime™ for our guests. As a company, we are committed to supporting our employees during times of great financial need and while pursuing educational dreams. With that in mind, we created the EpicPromise Employee Foundation. It was founded in January 2016 with a \$1.5 million contribution by Vail Resorts CEO Rob Katz and his wife, Elana Amsterdam, and it is supported annually with \$500,000 from the Company as well as donations made by Vail Resorts employees and guests. Since its inception, the Employee Foundation has given \$1.85 million to more than 700 employees and their dependents. In FY 2018 alone, 328 employees received more than \$904,000.

Employee Foundation Giving Since 2016



The Employee Foundation's Emergency Relief Grants support employees with financial assistance for unplanned, emergency scenarios including medical and illness expenses, bereavement costs, and home or property damages. The Employee Foundation also elevates the dreams of our employees and their families through one-time and multi-year educational scholarships for continuing education, vocational training, and bachelor's and master's degrees.



In the 2017-2018 winter season, challenging conditions across our western resorts put many employees in a difficult financial position, and with less snow on the

**8,850
MEALS**

mountain, the availability of hours to work was limited. In the spirit of responding to unplanned needs, in December 2017

the EpicPromise Employee Foundation partnered with food banks in our local communities to provide supplemental meals for these employees. Over the course of a three-week period, the EpicPromise Employee Foundation provided approximately 8,850 meals to employees in need.

The EpicPromise Employee Foundation is about bringing everyone at Vail Resorts together to create a community based on compassion. Why? Because we know that Kindness Moves Mountains.

“I will never forget the generosity Vail Resorts showed me and my family in paying for me to travel home and surprise my dad on Father’s Day. The grants you award not only help employees afford school, medical, and emergency expenses, but they also gave someone like me one more amazing memory with my dad while he was battling cancer. Thank you for your generosity. It is truly helping change lives, and I will forever be indebted to you all for that amazing gift.”

**– Jon Neumeister,
Front Office Manager in
Breckenridge, Colorado,
EpicPromise Employee
Foundation Grantee**



A CLOSER LOOK: EPICPROMISE SCHOLARS

In 2018, more than 160 children of Vail Resorts employees applied to receive a renewable scholarship of \$2,500 for each year of their post-secondary education, up to \$10,000. The 40 recipients were selected based on their demonstrated academic achievement, a commitment to their community, and leadership in extracurricular activities. Our EpicPromise Scholar award recipients are truly amazing students and people. Take Christopher Texler as an example. Christopher, whose father is a ski instructor, is a freshman at Arizona State University at the age of 14. His teachers described him as having a humble heart and always exhibiting compassion toward others. His achievements, both personal and academic, are remarkable; however, Christopher is just one of the many amazing people who received an EpicPromise Scholars grant in 2018.



ABOUT THIS REPORT

ABOUT THIS REPORT

This inaugural FY 2017-2018 EpicPromise Progress Report provides a platform for enhanced communication related to our EpicPromise framework and Commitment to Zero. This report references the Global Reporting Initiative (GRI) Standards, but it has not been prepared to a particular GRI in accordance model. Unless otherwise indicated, this report covers Vail Resorts' operations from August 1, 2016 through July 31, 2017 (FY 2017) and August 1, 2017 through July 31, 2018 (FY 2018). Moving forward, we plan to release an annual report to provide updates on our progress. We welcome all feedback on this EpicPromise Progress Report. For additional information, or to provide comments, please email epicpromise@vailresorts.com.

We engaged Environmental Resources Management Certification and Verification Services (ERM CVS) to provide third-party assurance of our FY 2017 Baseline for scope 1 and scope 2 GHG Emissions. The ERM CVS assurance statement can be found on page 41.

In 2018, Vail Resorts mapped the content included in our EpicPromise Progress Report against the GRI Reporting Guidelines. The index on page 40 indicates where report content addresses a corresponding GRI indicator.

GRI INDEX

Disclosure Number	Disclosure Title	Location	Page Number
102-1	Name of the organization	Do Good	4
102-2	Activities, brands, products, and services	Do Good	4
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102-14	Statement from senior decision-maker	CEO Letter	2
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102-50	Reporting period	About this report	39
102-51	Date of most recent report	About this report	39
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201-1	Direct economic value generated and distributed	Community giving and volunteerism	25
302-1	Energy consumption within the organization	Zero net emissions	13
302-4	Reduction of energy consumption	Zero net emissions	12
302-5	Reductions in energy requirements of products and services	Zero net emissions	13
304-3	Habitats protected or restored	Zero net operating impact to forests	22
305-1	Direct (scope 1) GHG emissions	Zero net emissions	7
305-2	Energy indirect (scope 2) GHG emissions	Zero net emissions	7
305-5	Reduction of GHG emissions	Zero net emissions	9
306-2	Waste by type and disposal method	Zero waste to landfill	19

ASSURANCE STATEMENT

Independent Assurance Statement to Vail Resorts Management Co.

ERM Certification and Verification Services (ERM CVS) was engaged by Vail Resorts Management Co. (Vail Resorts) to provide limited assurance in relation to FY17 (1 August 2016 – 31 July 2017) Greenhouse Gas (GHG) data as presented in its FY18 Epic Promise Progress Report and set out below.

Engagement summary	
Scope of our assurance engagement	Whether the FY17 (1 August 2016 – 31 July 2017) GHG data for the following selected indicators are fairly presented, in all material respects, with the reporting criteria: <ul style="list-style-type: none"> Total Scope 1 GHG Emissions [metric tons of CO₂e] (sources are stationary combustion, mobile combustion, and refrigerant losses); Total Scope 2 GHG emissions (by market-based and location-based method) [metric tons of CO₂e] (sources are electricity).
Reporting criteria	WBCSD/WRI GHG Protocol (2004, as updated January 2015).
Assurance standard	ERM CVS' assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).
Assurance level	Limited assurance.
Respective responsibilities	Vail Resorts is responsible for preparing the data and for its correct presentation in reporting to third parties, including disclosure of the reporting criteria and boundary. ERM CVS's responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

Our conclusions

Based on our assurance activities, nothing has come to our attention to indicate that the FY17 data for the following indicators in Vail Resorts' FY18 Epic Promise Progress Report are not fairly presented, in all material respects, with the reporting criteria

Scope 1 GHG Emissions	69,120 [metric tons of CO ₂ e]
Scope 2 GHG Emissions (location-based method)	121,983 [metric tons of CO ₂ e]
Scope 2 GHG Emissions (market-based method)	121,221 [metric tons of CO ₂ e]

Our assurance activities

Our objective was to assess whether the assured emission data are reported in accordance with the principles of completeness, comparability (across the organisation) and accuracy (including calculations, use of appropriate conversion factors and consolidation). We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions.

A multi-disciplinary team of EHS and assurance specialists performed the following activities:

- Interviews with relevant staff to understand and evaluate the data management systems and processes (including systems and internal review processes) used for collecting and reporting the selected data;
- A review of the internal indicator definitions and conversion factors;
- Virtual visits to two locations (Beaver Creek, CO, USA and Vail, CO, USA) to review local reporting processes and consistency of reported annual data with selected underlying source data for each indicator.
- An analytical review of the data from all sites and a check on the completeness and accuracy of the corporate data consolidation;
- A desktop review of samples of underlying energy source data;
- Year-end assurance activities at corporate level including the results of internal review procedures and the accuracy of the consolidation of the data for the selected indicators from the site data.

The limitations of our engagement

The reliability of the assured data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.



Jennifer Iansen-Rogers
Head of Corporate Assurance Services
7 November 2018



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