

# Environmental, Social & Governance Presentation

Winter 2023



# Forward Looking Statements



## **CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS PURSUANT TO THE U.S. PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995:**

This presentation contains, and our officers and representatives may from time to time make, “forward-looking statements” within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. The “forward looking statements” can be identified by words such as “may,” “should,” “could,” “estimates,” “predicts,” “potential,” “continue,” “anticipates,” “believes,” “plans,” “expects,” “future” and “intends” and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding our future revenues, expenses and profitability, the future development and expected growth of our business, attendance at movies generally or in any of the markets in which we operate, the number or diversity of popular movies released and our ability to successfully license and exhibit popular films, national and international growth in our industry, competition from other exhibitors, and alternative forms of entertainment.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans, and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risk, and changes in circumstances that are difficult to predict and many of which are outside our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Although it is not possible to predict or identify all uncertainties and risks, we encourage investors to read the risk factors we described in our most recent annual and periodic reports filed with the Securities and Exchange Commission.

These risk factors include, but are not limited to, the impacts of the COVID-19 pandemic on our business and the entertainment industry; our dependence on film production and performance; the seasonality of our business; our substantial long-term lease and debt obligations; our reliance on film distribution companies and the potential for alternate film distribution channels; regulation related to data protection, data security and privacy laws; economic instability and currency exchange risks related to our foreign operations; and the effects of general political, social, health and economic conditions on attendance at our theatres.

All forward-looking statements are expressly qualified in their entirety by these cautionary statements and such risk factors. We undertake no obligation, other than as required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Except as otherwise specified or indicated by the context references in this presentation to “we,” “us,” “our,” “Cinemark” or the “Company” are to the combined business of Cinemark Holdings, Inc. and its consolidated subsidiaries.

## **NON-GAAP FINANCIAL MEASURES:**

GAAP refers to the U.S. generally accepted accounting principles. We include certain non-GAAP financial measures in this presentation, including Free Cash Flow, Adjusted EBITDA and other financial measures utilizing Adjusted EBITDA. These non-GAAP financial measures may not be comparable to those of other companies and may not be comparable to similar measures used in our various filings. Please see the Appendix for definitions of our non-GAAP financial measures and a reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

# Cinemark Overview

One of the largest and most influential theatrical exhibition companies in the world with 517 theatres with 5,835 screens in 16 countries (1)

## U.S. Operations (2)

- 3<sup>rd</sup> largest exhibitor with 318 theatres and 4,392 screens
- 42 states, 104 DMAs
- #1 or #2 in box office revenues in 80% of our top 25 markets
- Highest attendance per screen among leading exhibitors
- Surpassed North American industry box office growth for 12 out of the past 13 years



## International Operations (2)

- First modern theatre experience throughout Latin America
- More than 27 years of operating experience
- 15 countries with 199 theatres and 1,443 screens
- Approximately 30% market share in key countries
- Presence in 15 of top 20 metropolitan cities in the region



1) Theatre and screen counts as of 9/30/2022

2) As of 12/31/2021

# Initiatives to Drive Growth and Outperformance

While refortifying the balance sheet is paramount, we remain focused on strategic priorities to position the company for ongoing industry outperformance and long-term success

**1 Create an extraordinary guest experience**

**2 Build Audiences**

**3 Develop New Revenue Opportunities**

**4 Streamline Processes**

**5 Optimize Footprint**



67% U.S. recliner penetration - highest among major circuits <sup>(1)</sup>



Heightened focus on the guest experience; guest service scores consistently in excess of 90%



#1 private-label premium large format in the world with more than 275 auditoriums



Over 75% of U.S. circuit features expanded food & beverage offerings, 55% with alcohol



264 auditoriums feature D-BOX motion seats synchronized with on-screen action



First domestic exhibitor to launch subscription program; ongoing evolution of loyalty program



Industry-leading technology and capabilities; first exhibitor to announce Cinionic laser conversion

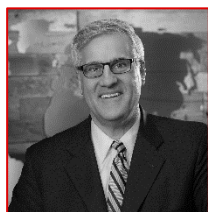


Sophisticated omni-channel marketing platform and significantly enhanced digital and social capabilities

1) As of 9/30/2022

# Experience, Independent and Diverse Board

Committee abbreviations: AC (Audit Committee), CC (Compensation Committee), GC (Governance Committee), SPC (Strategic Planning Committee); \* denotes committee chair



## Carlos M. Sepulveda

- Chairman, Cinemark
- Chairman, Triumph Financial
- Committees: AC, CC, SPC



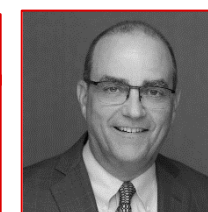
## Lee Roy Mitchell

- Founder, Cinemark
- Committees: None



## Nancy Loewe

- CFO, CellLink
- Committees: AC\*, GC



## Mark Zoradi

- Former CEO, Cinemark
- Committees: SPC



## Steven P. Rosenberg

- Manager, SPR Ventures
- Committees: AC, GC\*



## Darcy Antonellis

- Executive Advisor, Amdocs
- Former CEO, Vubiquity
- Committees: AC, SPC\*



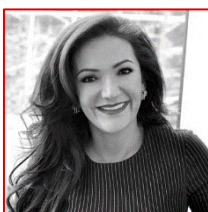
## Benjamin D. Chereskin

- President, Profile Capital Management
- Committees: CC, SPC



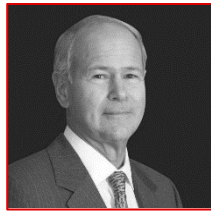
## Sean Gamble

- President & CEO, Cinemark
- Committees: None



## Nina G. Vaca

- Founder, Chairman and CEO, Pinnacle Group
- Committees: CC\*, GC



## Enrique F. Senior

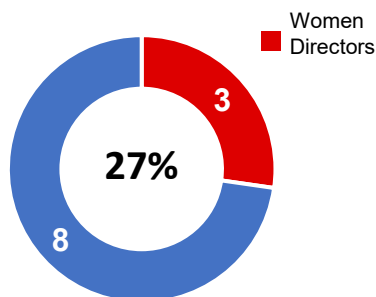
- Managing Director, Allen & Company
- Committees: SPC



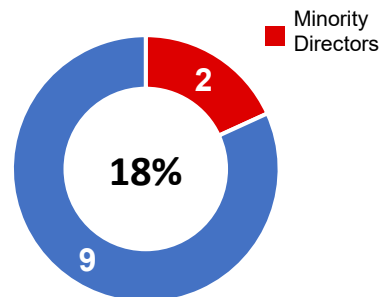
## Raymond W. Syufy

- Chairman North American Theatre Owners California
- CEO, Syufy Enterprises
- Committees: SPC

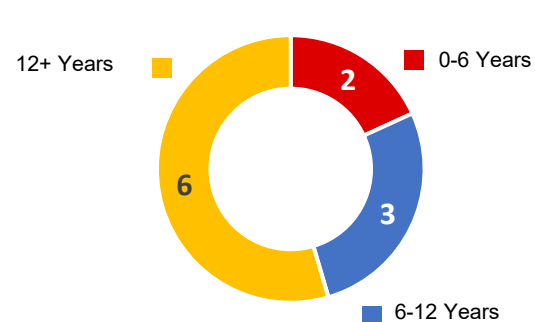
### Gender Diversity



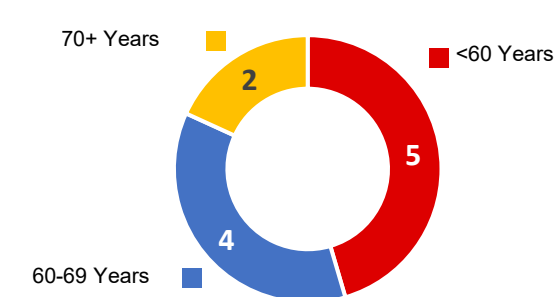
### Racial Diversity



### Balanced Board Tenures



### Range of Ages



# Board Skills, Leadership and Risk Oversight

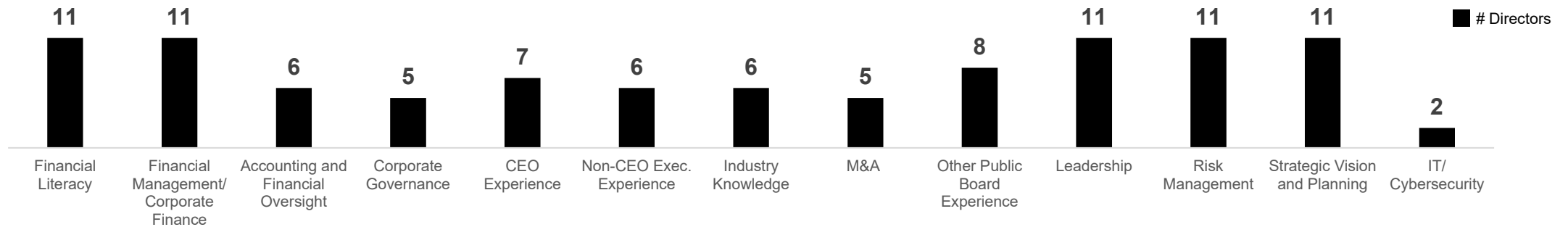
Our Board leadership structure promotes effective independent oversight and is comprised of directors with the right skills to drive value for Cinemark stockholders

## Board Leadership Structure and Skills Aligned with Our Strategy

- ✓ Board leadership structure promotes balance between independent, engaged oversight and extensive industry and operational expertise

### Separate Chairman and CEO, with Chairman who:

- Provides leadership to the Board by chairing meetings, organizing directors and facilitating deliberations of the Board
- Provides significant input on strategic initiatives, including evaluating new diversification and growth opportunities
  - Acts as liaison between non-management directors and management
- Calls and chairs executive sessions of non-management directors and independent directors
  - Consults with CEO to approve schedules, agendas and information for Board meetings



## Our Board Practices

- ✓ Annual Board evaluation, facilitated by a third party (NASDAQ), and overseen by the Nominating and Corporate Governance Committee
- ✓ Annual committee evaluations facilitated by a third party (NASDAQ)
- ✓ Considers many factors, including diversity of experience, educational and professional background and age, wisdom, integrity, skills such as understanding of finance and marketing, and willingness to devote adequate time to Board duties in evaluating the suitability of individual Board members

## Our Governance Highlights

- ✓ Separate Chairman and CEO
- ✓ Majority of directors are independent by SEC and NYSE standards, including Chairman
- ✓ Robust oversight of risk and risk management
- ✓ Annual Board and committee evaluations and assessments
- ✓ Regular executive sessions of independent directors required by Governance Guidelines
- ✓ Diverse board with varying backgrounds and expertise

## Compensation Governance Principles

- ✓ Competitive, market-driven base salary
- ✓ Formula-driven, quantitative performance targets for a significant portion of total compensation
- ✓ Capped incentive opportunities
- ✓ Robust stock ownership guidelines align executive and director interests with those of stockholders
  - Non-employee directors: 5x annual cash retainer
  - CEO: 5x annual base salary
  - All EVPs: 2x annual base salary
- ✓ Executive officers and directors are unconditionally prohibited from engaging in short selling, put, call, or other derivative transactions or hedging or other monetization transactions in our common stock
- ✓ Double-trigger in employment agreements for change-in-control

# Compensation Structure

Performance-based compensation plan designed to align with, and support, our business strategy and create sustainable long-term stockholder value

## Compensation Philosophy

- The Compensation Committee **designed an executive compensation program that strongly aligns with the interests of stockholders** in creating sustainable long-term stockholder value by directly linking pay to Company and individual performance
- Continuing to work with compensation consultants to ensure **short-term and long-term incentive plans with measurable performance metrics** that are structured to attract, motivate, reward and retain high caliber talent who will lead the company to increase our competitive advantage and deliver sustainable profitability
- Target compensation mix **weighted towards long-term equity-based incentives** rather than short-term cash incentives

<b>Base Salary</b>	<b>Cash</b>	Adjusted based on overall market, individual role and responsibility, as well as annual performance review of contribution to Company's strategic priorities
<b>Annual Incentive</b>	<b>Cash</b>	A combination of revenue and cash flow metrics were utilized for 2022 performance as both are relevant for achieving the Company's strategic goals of reigniting theatrical movie-going and rebuilding the balance sheet
<b>Long-Term Incentive</b>	<b>Restricted Stock</b>	Three-Year Ratable Vesting
	<b>Perf.-Based RSUs</b>	Balanced time-based and performance-based equity to attract and retain highly qualified executives while encouraging long-term growth and alignment with stockholders

The Compensation Committee consults with Pearl Meyer to determine the appropriate structure of long-term incentives and performance metrics to use for the performance-based equity incentive awards that attracts and rewards management for matters within their control and serves as a retention tool, particularly considering the prolonged recovery of theatrical exhibition



# Ongoing Commitment to Sustainability

Committed to promoting environmental sustainability in our communities, including reducing our carbon footprint through energy efficiency measures and reducing waste through co-mingled recycling programs

>60%

Target energy usage offset by renewable options, achieved 66% in 2022

~7M

Kilowatt-hours per year generated by solar installations at 24 locations

>160

Free EV charging stations for guests

68,000

Tons of waste recycled since 2012

## Recycling

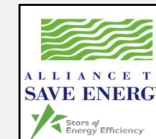
- Recycling at all eligible locations diverted **~30% of Cinemark's waste from landfills in 2022**; increase from ~25% in 2019
- Organics Recycling (Composting) in select markets in CA, CO and TX

## Renewable Energy

- **Offsite Renewable Energy:** 40 megawatts purchased annually through Trent Mesa Wind Farm 2021-2027, an increase from prior level of 10 megawatts 2018-2019
- **Energy Supply Contracts:** Contracts in deregulated markets earning Renewable Energy Credits, ~60 million kilowatt-hours in run-rate credits per year
- **Energy Storage:** 5 locations with battery storage to reduce power during highest usage part of the day, ~1.5 Megawatts of battery storage capacity
- **Thermal Storage:** Projects in place in California and Massachusetts
- **Electric Vehicle Charging:** Rollout of free EV charging stations (Volta) for customers at locations ongoing; >160 locations completed with further installations in 2023

## Energy Efficiency

- **Lighting:** LED parking lot lighting retrofits completed, other conversions progressing (whole or in part) in most buildings with plan to complete transition in the near future
- **LEED Certifications:** 4 LEED certified theatres; leveraging learnings at new construction sites
- **Energy Management Systems:** Control lighting schedules and operation tied to point-of-sale data
- **HVAC**
  - Completed project to install variable frequency drives in all eligible HVAC units to reduce power consumption
  - Right sizing of HVAC units to ensure no wasted energy use
  - Energy management systems to control HVAC temperatures and schedules to ensure energy efficiency
- **Water:** Ongoing efforts to conserve water through fixture and irrigation retrofits
- **Awards Recognizing Cinemark:**



# Our Human Capital Management Practices

Our Board and management team are dedicated to ensuring that we have a diverse and inclusive work environment; strengthening engagement and providing enhanced training and development has remained a key priority

## Diversity, Equity & Inclusion

- Cinemark **Inclusion Leadership Training** for senior leaders
- Engaging with corporate-based employees, focusing on **Cultural Heritage Month Events** and development of **Cinemark Resource Groups**
- **Attract and engage talent within our inclusive culture**; updated website and external DEI branding – named among “**Forbes World’s Best Employers**”

## Cinemark Cares

- **Corporate Social Responsibility (CSR) strategy** supports four causes - Child Advocacy, Human Rights, Disaster Relief and Food Scarcity
- **Employee volunteering** opportunities
- **Annual charity golf tournament and fund-raising initiatives**, including Variety, Will Rogers Foundation, St. Jude, Dallas Holocaust and Human Rights Museum and North TX Food Bank
- **Employee anniversary and recognition program** through Awardco

## Training & Development

- **Employee engagement surveys** to ensure we are doing our best to foster motivation and morale - named among Forbes “**World’s Best Employers of 2022**” and “**World’s Top Female-Friendly Companies**”, as well as “**Top Workplaces of 2022**” in the DFW metro area
- **Leadership development and skill enhancement training for corporate and field employees**
  - On-demand e-learning platform for skills development
  - LEAN and Six-Sigma training available to all corporate employees and theatre GMs
  - Systematic career progression development plan for our theatre management staff
  - Leadership development and skill building courses for various levels throughout the year
  - Coaching and mentoring programs for high potential employees
- Arrangement with **University of North Texas - Tuition reimbursement provided** as financial support to employees for undergraduate courses and certification
- **Ongoing relationships with local universities** to source and hire talent



## Investor Outreach

- Proactive governance outreach to significant institutional shareholders for the past five years, representing 60-70% of institutional shareholders annually
- Consistently hold meetings with all shareholders that accept our requests, representing 20-30% of institutional ownership annually
- Based on investor feedback, provided additional public data points regarding environmental, social and governance initiatives in the 10-K and Proxy

## ESG Committee

- Created an ESG Committee that meets at least quarterly to align on initiatives and next steps
- Committee comprised of:
  - Michael Cavalier, EVP General Counsel
  - Sid Srivastava, EVP Human Resources/DEI/CSR
  - Caren Bedard, SVP Controller & Treasury
  - Chanda Brashears, SVP Investor & Public Relations
  - Art Justice, VP Energy & Sustainability
  - Jennifer Bishop, VP Associate General Counsel
  - Carmin Brown, Director Diversity, Equity and Inclusion
- Board oversees ESG Committee primarily through Nominating and Corporate Governance Committee

## ESG Report

- Compiling and aligning on ESG information to publicize in Company's initial ESG Report
- Published interim ESG deck to facilitate public dissemination of ESG-related stats

**Thank You**

**CINEMARK™**

