

# 2022 ESG REPORT

# **TABLE OF CONTENTS**

ABOUT US						
CINEMARK AT A GLANCE						
LETTER FROM OUR CEO						
ESG COMMITTEE Q&A	6					
OVERVIEW	7					
ENVIRONMENTAL RESPONSIBILITY	8					
Environmental Initiatives	9					
Our Renewable Energy Efforts	9					
Compliance	10					
SOCIAL IMPACT	11					
Diversity, Equity, and Inclusion (DEI)	12					
Human Capital Management	13					
Career and Professional Development	14					
Benefits	14					
Community	15					
CULTURE OF GOVERNANCE	16					
Governance at a Glance	17					
Our Board Practices	19					
Our Governance Highlights	19					
Compensation Governance Principles	19					
ESG Committee	20					
Data Security	20					
Compliance and Ethics	20					
Suppliers	20					
ANNEX	21					
Sustainability Development Goals (SDGs)	22					
SASB Table	23					



# **ABOUT US**

# **CINEMARK**

Cinemark USA, Inc. was founded in Texas in 1984 and is a wholly-owned subsidiary of Cinemark Holdings, Inc. We are one of the largest and most influential theatrical exhibition companies in the world with more than 500 theaters and nearly 6,000 screens in 15 countries.

We differentiate our theaters through ongoing investments in amenities and technology that provide a larger-than-life cinematic entertainment experience. Our dedication to providing an extraordinary guest experience is a primary driver of our consistent industry-leading results.

- Nearly 30,000 employees worldwide
- 280 million guests entertained on average, every year
- **Approximately 40 years** of operating experience
- Consistent engagement with employees through Town Halls and various events and celebrations
- 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
- Among our Board members, 27% are female and 27% identify as a racial minority
- Continued integration of ESG into our business, which helps define how we pursue growing business opportunities and manage risk



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



~70% U.S. recliner penetration highest among major circuits\*



#1 private-label premium large format in the world with ~300 auditoriums



~300 auditoriums feature **D-BOX** motion seats synchronized with on-screen action



Industry-leading technology and technological capabilities; first exhibitor to initiate Cinionic laser projector conversion



~80% of U.S. circuit features expanded food and beverage offerings; ~60% with alcohol



Industry-leading subscription program; ongoing evolution of loyalty programs



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

<sup>\*</sup> As of December 31, 2022

# **CINEMARK AT A GLANCE**

### **WE STRIVE TO:**

- Act with honesty, integrity, respect, and care for each other, our guests, communities, and partners;
- Provide a safe environment for our employees and guests;
- Be the best in what we do; and
- Empower our people to make decisions and take responsibility.

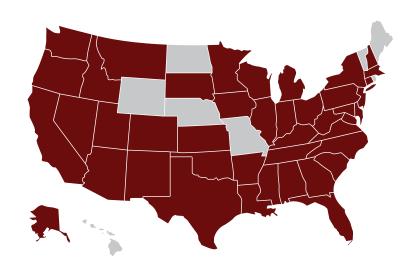
# **CINEMARK VALUES**

**OWNERSHIP PASSION FOR PEOPLE SAFETY PERFORMANCE EXCELLENCE DO THE RIGHT THING** 

**Guided by our Cinemark** Values, we are committed to creating a workplace where everyone is included and respected, and where we support each other in reaching our full potential. We take pride in the fact that many of our employeesincluding executive management, international general managers, and field employees—have significant tenure with the Company.

## **U.S. OPERATIONS**\*

- 3rd largest exhibitor with 318 theaters and 4,392 screens in 104 DMAs across 42 states
- #1 or #2 in annual 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 9 of the past 10 years





### INTERNATIONAL OPERATIONS\*

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

<sup>\*</sup> As of December 31, 2022

# **LETTER FROM OUR CEO**



"The enhancement of the social well-being of our employees and the communities in which they live and work, as well as the reduction in environmental impacts, are critical aspects of our sustainability focus."

# Dear Shareholders,

I am pleased to share our inaugural environmental, social, and governance (ESG) report. As a global leader in the theatrical exhibition industry, we believe we must continue to invest in and leverage our scale and community engagement to create a more sustainable long-term enterprise.

In Spring 2023, we completed our first assessment of ESG priorities by examining common trends among key stakeholders, including investors, employees, guests, industry peers, and ESG rating organizations. We are reporting our ESG practices in conformity with the framework outlined by the Sustainability Accounting Standards Board.

Because of our ongoing focus on our people and community partnerships, Cinemark's commitment to fostering a diverse and inclusive environment remains as strong as ever. Through our varied culture development initiatives, including company-wide training, community building events, ongoing employee engagement actions, recruitment efforts, and support for employee led resource groups, we maintain a high-performing workforce that reflects our moviegoing population and the communities within which we source talent.

Despite varying challenges in the world around us, Cinemark is well positioned to continue our long-term growth strategy. We believe the combination of our market leading capabilities, best-in-class team, and strong financial position will enable us to continue extending our sustained value creation. Looking ahead, we will continue to execute with a keen focus on operational excellence while undertaking efforts to advance our ESG standards and sustainability endeavors.

Sincerely,



**Sean Gamble**President and Chief Executive Officer

# **ESG COMMITTEE Q&A**

# HOW DOES CINEMARK APPROACH CORPORATE SUSTAINABILITY?

Our corporate sustainability approach is closely tied to our mission and values: a strategic program clearly focused on a positive social and environmental impact within an effective governance framework.

Our ESG Committee is comprised of senior management from across various functional areas within Cinemark. Our Board continues to oversee our environmental, social, and governance efforts as investors are seeking more ESG information.

This year, we have responded to stakeholder requests for expanded data-driven disclosures by performing an assessment of priorities to inform our corporate responsibility reporting and strategy. The results of this assessment form the basis of this report, including the decision to report in conformity with the Sustainability Accounting Standards Board (SASB) framework.

# WHAT ARE SOME NEW NEAR-TERM CORPORATE RESPONSIBILITY INITIATIVES?

As we continue to execute on our sustainable strategy, we will expand our environmentally friendly solutions and services, like our transition to laser projectors, EV (Volta) charging stations, and water refill stations that reduce plastic waste while increasing our renewable energy efforts. Internally, we will continue working to ensure we live our culture, mission and values.

### **HOW IS CINEMARK SUPPORTING COMMUNITIES?**

As part of our corporate social responsibility (CSR) focus areas, we've made several investments in programs that support child advocacy, human rights, disaster relief, and mitigation of food scarcity. We are very proud of our community initiatives including our partnerships with Variety the Children's Charity of Texas, Dallas Holocaust and Human Rights Museum, Will Rogers Motion Picture Pioneers Foundation, and North Texas Food Bank, among others. Collaborations with local nonprofit organizations help us foster meaningful community connections and allow us to set impactful short- and long-term goals. We encourage our people to identify causes that are personally meaningful, and to organize team volunteer outings, which also support increased employee engagement.

# WHAT WERE SOME OF CINEMARK'S BIGGEST ESG ACHIEVEMENTS IN 2022?

We are excited about the progress we have made with our ESG efforts this year. At the highest level, one of the most significant accomplishments was enhancing and supporting a culture where our mission and values guide our business practices. With that, our company has strengthened key engagement initiatives, as well as given back to the community through local and national charities. Cinemark is also proud to cultivate an environment of on-going learning, education, and development through the implementation of our leadership programs and comprehensive training offerings. Due to these efforts, Cinemark was recognized among "World's Best Employers of 2022" and "World's Top Female-Friendly Companies" by Forbes.



# **OVERVIEW**

Cinemark is committed to upholding environmental, social, and governance (ESG) standards as we position our company for ongoing success while addressing the expectations of our stakeholders. In 2022, we enhanced and formalized our ESG strategy by establishing the Cinemark ESG Committee. The individuals on this committee are cross-functional subject matter experts responsible for leading our ESG strategy, while also monitoring our corporate social responsibility and environmental sustainability initiatives.

Our objective is to provide continued transparency as we further enhance our performance in these areas. We have gathered data and prepared reports to provide clear communications using the investor-focused disclosure standards developed by the Sustainability Accounting Standards Board (SASB), SASB, along with input from the investment community, has developed a standard framework focused on industry-specific issues deemed most important to Cinemark's stakeholders.

We have focused our report on areas that are of top priority to us today, utilizing data for the year ended December 31, 2022, unless noted otherwise. In compiling this report, we completed our initial assessment of ESG priorities—examining a range of key stakeholders, including investors, customers, employees, rating organizations, and industry peers. We also drew upon the subject matter expertise of colleagues throughout our organization to collect and organize content. We then reviewed the recommended ESG topics for inclusion in the sustainability disclosure.

The disclosures within the SASB framework were designed with the goal of developing qualitative and quantitative reporting that companies can follow to ensure consistency and comparability within and across industries. We believe that we are implementing impactful initiatives and programs that align with the SASB framework but also assist us in identifying opportunities for improved processes that will create shared success with our employees, guests, and communities around the world.

This report contains forward-looking statements, including our commitments, targets, and other statements that are not historical facts. These statements are subject to risks and uncertainties and are not guarantees of future performance. All forward-looking statements are based on management's current assumptions, estimates, and projections.

### **AWARDS AND RECOGNITION**

















# **ENVIRONMENTAL RESPONSIBILITY**

**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



## **ENVIRONMENTAL INITIATIVES**

We are committed to responsible environmental practices that include conservation of natural resources, pollution prevention, and waste reduction. The sustainability of our operations is central to sustained value creation, growth, and resilience. We foster environmental responsibility with our employees and other partners by encouraging them to reduce consumption of natural resources and applying an ethical approach to disposal efforts.

As environmental concerns become more prevalent, we recognize the value in complying with increased regulations and applicable environmental standards. We are committed to environmental sustainability in our communities, including reducing our carbon footprint through energy efficiency measures and reducing waste through co-mingled recycling programs. Highlights of our efforts and accomplishments include:

- Encouraging environmentally friendly workplace practices by supporting recycling and separation of waste throughout our facilities
- Providing over 160 free electric vehicle (EV) fast-charging stations for guests and employees, supporting our communities in living more sustainable lives
- Diverting ~68,000 tons of waste to recycling over the past decade
- Engaging in strategic partnerships with energy industry professionals to stay on top of upcoming opportunities in the communities in which we operate or plan to build theaters

- Achieving 62% renewable energy in 2022
- Generating 7M kilowatt hours per year by solar installations at 24 locations
- Recycling at all eligible locations, including diverting 30% of Cinemark's waste from landfills in 2022, which is an increase from 25% in 2019
- Composting (organics recycling) in select markets in CA, CO, and TX



# **OUR RENEWABLE ENERGY EFFORTS**

Our renewable energy efforts include the annual purchase of 40 megawatts through Trent Mesa Wind Farm (2021–2027), an increase of 10 megawatts from prior levels (2018–2019). We also purchase energy supply contracts, including contracts in deregulated markets, earning Renewable Energy Credits (RECs) of upwards of 60 million kilowatthours in run-rate credits per year. In addition, Cinemark currently has five locations with battery storage to reduce power during the highest usage part of the day, resulting in 1.5 megawatts of battery storage capacity.

# **ENVIRONMENTAL RESPONSIBILITY**

**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



Cinemark's sourcing and procurement team undertakes identifying and managing risks and opportunities associated with our environmental supply chain. We require that vendors provide only products that comply with applicable laws, including those related to environmental protection, and we will not knowingly purchase products made in violation of established environmental requirements.

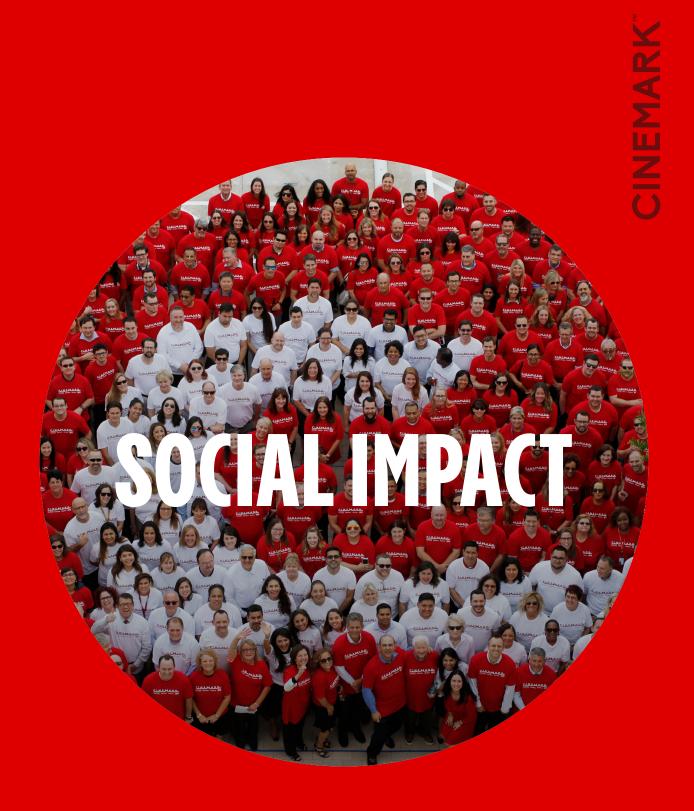
## **COMPLIANCE**

Cinemark complies with all applicable legal and regulatory requirements to control and reduce emissions and energy usage in our operations. We are committed to making appropriate investments in systems and technology to help ensure compliance and to meet or exceed these requirements.

- Continuously research and seek innovative ways to boost efficiency, such as utilizing high-efficiency electrical equipment including LED and motion detector lighting and high-efficiency HVAC units
- Completed installation of variable frequency drives in all eligible HVAC units to reduce power consumption
- Installed LED lighting in parking lots with ongoing plans for additional conversions and saving opportunities
- LEED certified in four theaters; incorporating key findings and best practices from LEED certified buildings into our operational footprint
- Implementing energy management systems to control lighting schedules, power consumption, and water management to increase efficiency and reduce waste

Cinemark will continue to engage with suppliers throughout our global value chain to measure and manage our impact—to the best of our individual and collective abilities—to conserve resources and promote practices in line with our values.





**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



# **DIVERSITY, EQUITY, AND INCLUSION (DEI)**

We believe diverse ideas and perspectives, in an equitable and inclusive environment, lead to increased creativity, idea generation, and better decision making. This, in turn, drives superior business performance and enriches the lives of our employees, families, quests, and communities. Simply stated, we view DEI as promoting a culture and practices whereby we treat others in a manner consistent with how we want to be treated. Accordingly, we uphold and embrace the following DEI guiding principles within our work culture.

- DEI is interwoven within the Cinemark culture—how we operate and collaborate as a company to support and strengthen our business performance.
- DEI goes beyond physical differences like race and gender. We focus on differences in thought, backgrounds, and experiences to advance Company objectives and outcomes.
- DEI is a journey, not a destination. Our intention is to make a lasting and sustainable positive impact, and we aim to be thoughtful, practical, and balanced in our approach.
- DEI is a company-wide goal—we are all in this together. Everyone is invited to contribute to an inclusive, caring, and collaborative culture.

# **DEI FOCUS AREAS:**



# **EMPLOYEE AWARENESS** AND ENGAGEMENT

Strengthen and inspire employee engagement and inclusivity.



# **DEVELOPING LEADERS AND TEAM MEMBERS**

**Enhance leadership and** advocacy by providing capability and awareness training.



# ATTRACTING AND RETAINING **DIVERSE TALENT**

Source, hire, and retain diverse talent through equitable and consistent processes that recognize valuable contributions.

To support our DEI focus areas and initiatives, we created a DEI committee comprised of volunteer employees. Their grassroots efforts support fun and engaging celebrations such as cultural heritage month events. The groups also provide guidance for their members, and benefit our entire workforce through celebratory parades, guest speakers, and networking opportunities. In addition, Cinemark resource groups foster inclusion and build awareness among all employees, which helps with recruiting and retaining a diverse workforce. With nearly 30,000 employees worldwide, we are committed to fostering and embracing a diverse community in which employees share a mutual understanding and respect for one other.

**ENVIRONMENTAL RESPONSIBILITY** 

**SOCIAL IMPACT** 

**CULTURE OF GOVERNANCE** 

**ANNEX** 



The diversity of the Company's employees is a tremendous asset. Their strong leadership, team building, problem solving, and broad insights into consumer preferences, are demonstrated by our overall success. We are committed to equal opportunity for all employees and applicants without regard to race, color, religion, gender, sexual orientation, gender identity, age, national origin, ancestry, pregnancy, marital status, disability, veteran status, or any other characteristic protected by federal, state, or local laws. Our talent acquisition team facilitates interview skills training to ensure consistency in candidate assessments and while mitigating biases during the hiring process.

We are committed to providing a workplace free from all forms of discrimination, including sexual and other forms of workplace harassment and do not tolerate illegal discrimination or harassment of any kind. To ensure a safe working environment, employees have access to Convercent, a 24-hour anonymous incident reporting system geared towards addressing serious workplace issues. Employees found in violation are subject to disciplinary action up to and including termination. We have also updated our leadership development programs to include unconscious bias training.

We uphold the America with Disabilities (ADA) standards and adhere to policies and guideline requirements for fair and reasonable accommodations and treatment of all employees. Reasonable accommodations include adaptive equipment, allowances for on-site service animals, flexible work arrangements, special parking assignments, and a number of other inclusive services. In addition, we uphold ADA standards for our guests, providing access and enjoyment by providing fair and reasonable accommodations.

## **HUMAN CAPITAL MANAGEMENT**

Guided by our Cinemark Values—we invest in our team by giving them opportunities to grow professionally in ways that take care of themselves, each other, and their families, while having the ability to make a positive difference for our guests and our communities. Key features include:

- Attract, engage, and retain talent within an inclusive culture
- Provide development training programs and engagement initiatives
- Consistent engagement and communication, including all company Town Halls and various events
- Promote employee recognition, anniversary, and celebration programs



**ENVIRONMENTAL RESPONSIBILITY** 

**SOCIAL IMPACT** 

**CULTURE OF GOVERNANCE** 

**ANNEX** 



## **CAREER AND PROFESSIONAL DEVELOPMENT**

We prioritize and invest in creating opportunities to assist in career development through multiple training programs. We conduct regular employee engagement surveys to ensure we are working diligently to foster motivation and morale. We have been named among Forbes "World's Best Employers of 2022," "World's Top Female-Friendly Companies," as well as "Top Workplaces of 2022" in the Dallas-Fort Worth (DFW) metro area. Leadership development and skill enhancement training for corporate and field employees includes:

- An on-demand e-learning platform for skills development
- LEAN and Six-Sigma training for employees
- GMs career progression development plan for our theater management staff
- Leadership development and skill building courses throughout the year
- Coaching and mentoring programs
- Sponsoring English classes for international team members

We have an arrangement with University of North Texas for tuition reimbursement provided as financial support to employees for undergraduate courses and certifications. Ongoing relationships with local universities also allow us to source and hire talent.

### **BENEFITS**

Our engaged employees are our greatest asset and are critical to our ability to execute our strategy. As such, we are committed to a healthy and safe culture that promotes respect for all employees, and focuses on creating and sustaining an atmosphere of collaboration and innovation that rewards team and individual successes. We invest in our people with these underlying goals in mind.

We continuously evolve our benefits plans to remain competitive and to meet the expectations of our workforce to include:

- Medical and dental benefits
- Well-being programs
- Company-provided life insurance benefits
- Disability coverage
- Paid parental leave

- Mental health resources
- 401(k) retirement savings program with generous match
- Health and safety fairs
- Reimbursement for weight loss and fitness programs
- Free movies and discounts on concessions





**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



## COMMUNITY

Cinemark works to build self-reliant and healthy communities through a variety of regional and local initiatives, as well as key partnerships. Our employees have opportunities to make an impact as they share their time and skills in our communities, while Cinemark strives to be an exemplary corporate citizen through the following Corporate Social Responsibility (CSR) focus areas, which support charity fundraising, educational sponsorship, and community development.

# **CSR FOCUS AREAS:**



Empower and ensure adequate support and accessibility for children and their families.



Support and promote universal human rights for all.



# **DISASTER RELIEF/FOOD SCARCITY**

Prepare, support, and equip employees and/or the community with the essentials.

FOCUS AREAS	PARTNERS	CHARITY/ORGANIZATION MISSION:			
Child Advocacy	variety the children's charity of texas	Variety of Texas is a charitable organization that opens up the world for kids with special needs and their families by providing resources and empowering experiences.			
,	St. Jude Children's Research Hospital Finding cures. Saving children.	St. Jude Children's Research Hospital advances cures, and means of prevention, for pediatric catastrophic disease through research and treatment.			
Human Rights	DALLAS HOLOCAUST AND HUMAN RIGHTS MUSEUM	The Dallas Holocaust and Human Rights Museum teaches the history of the Holocaust and advances human rights to combat prejudice, hatred, and indifference.			
Disaster Relief / Food Scarcity  WILL ROGERS  MOTION PICTURE PIONEERS FOUNDATION		Will Rogers Motion Picture Pioneers Foundation provides supportive counsel and financial assistance to help with expenses, such as medical care, housing assistance, and other support, to aid members of the motion picture industrius who find themselves in need.			
,	NorthTexas Food Bank	North Texas Food Bank provides access to nutritious food to those in North Texas in their endeavor to close the hunger gap.			

Cinemark's CSR focus areas are important to our guests and employees, as they directly impact our industry, our local communities, and surrounding populations.



**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



### **GOVERNANCE AT A GLANCE**

We emphasize a culture of accountability and conduct our business in a manner that is fair, ethical, and responsible to earn the trust of our stakeholders. We also maintain governance, compliance, and risk management programs to help ensure compliance with applicable laws and regulations governing our business practices.

The following documents represent key corporate governance framework:

**Audit Committee Charter** 

Compensation Committee **Charter** 

Nominating and Corporate Governance Committee Charter

Strategic Planning **Committee Charter** 

Corporate Governance **Guidelines** 

Code of Business Conduct and Ethics

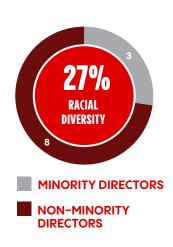
**ESG Committee Charter** 

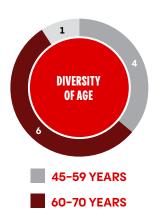
BOARD MEMBER	AUDIT	COMPENSATION	NOMINATING/ CORPORATE GOVERNANCE	STRATEGIO PLANNINO
Carlos Sepulveda*	•	•		•
Darcy Antonellis	•	•		CHAIR
Benjamin Chereskin		•		•
Sean Gamble				
Nancy Loewe*	CHAIR		•	
Kevin Mitchell				•
Steven Rosenberg	•		CHAIR	
Enrique Senior				•
Ray Syufy				•
Nina Vaca		CHAIR	•	
Mark Zoradi				•

<sup>\*</sup> Financial Expert

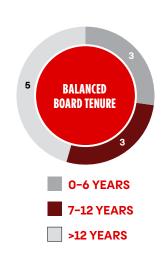
Current copies of the above policies and guidelines are publicly available on our website at https://ir.cinemark.com under the "Governance" tab.







>70 YEARS



**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



Our Board leadership structure promotes effective independent oversight and is comprised of directors with the diverse skills and expertise necessary to drive value for Cinemark stockholders, offering a strategic balance between independent, engaged oversight and extensive industry and operational expertise.

We have a separate Chairman and CEO, with a 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

# **SKILL/EXPERIENCE MATRIX**

EXPERIENCE	Antonellis	Chereskin	Gamble	Loewe	Mitchell	Rosenberg	Senior	Sepulveda	Syufy	Vaca	Zoradi
Financial Literacy	•	•	•	•		•	•	•		•	•
Financial Management/Corporate Finance	•	•	•	•		•	•	•	•	•	•
Accounting and Financial Oversight	•		•	•		•		•			•
Corporate Governance	•	•		•		•		•		•	
CEO Experience	•		•		•			•	•	•	•
Non-CEO Executive Experience		•	•	•		•	•				•
Industry Knowledge	•		•		•		•		•		•
Mergers and Acquisitions		•	•	•	•		•				
Other Public Company Board Service	•	•				•	•	•		•	•
Leadership	•	•	•	•	•	•	•	•	•	•	•
Risk Management	•	•	•	•	•	•	•	•	•	•	•
Strategic Vision and Planning	•	•	•	•	•	•	•	•	•	•	•
Information Technology and Cybersecurity	•									•	

**ENVIRONMENTAL RESPONSIBILITY** 

**SOCIAL IMPACT** 

**CULTURE OF GOVERNANCE** 

ANNEX



## **OUR BOARD PRACTICES**

- Annual Board and committee evaluations facilitated by a third party (NASDAQ) and overseen by the Nominating and Corporate Governance Committee
- Consideration of many factors—including diversity of experience; educational and professional background; age, wisdom, integrity, skills, experience, and expertise; and a willingness to devote adequate time to Board duties—in evaluating the suitability of individual Board members

### **OUR GOVERNANCE HIGHLIGHTS**

- 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, including varying metrics to drive short-term and long-term performance
- Capped incentive opportunities
- Robust stock ownership guidelines align executive and director interests with those of stockholders
  - O 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



**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



### **ESG COMMITTEE**

Our ESG efforts are managed by a cross-functional committee that shapes and drives ESG strategy, tracks key performance indicators, and manages the Company's ESG initiatives. Representatives of the ESG Committee present topics to the Governance Committee and our Board during the course of the year. The Governance Committee serves as the primary committee assisting the Board in oversight of the Company's ESG efforts.

### **DATA SECURITY**

As a company that generates a high volume of transactions reliant on networks and information systems, we face operational risks related to cybersecurity; for this reason, we invest in a multi-layered cybersecurity program. The evolution of cyber threats and attack vectors is occurring faster and with greater frequency than in the past. We closely monitor and track the general cyber threat landscape to proactively identify emerging risks.

Our cybersecurity infrastructure is further enhanced through relationships with vendors that provide state of the art systems and support. All corporate devices in the Cinemark network are monitored 24/7 by remote infrastructure management system agents that block and shut down unauthorized attempts to access data. Our IT team consistently monitors our systems through a combination of tools and technologies to help protect our stakeholders' data. Cinemark's employees are responsible for complying with our data security standards and complete mandatory monthly training to understand the behaviors and technical requirements necessary to keep information secure. We also provide ongoing education to teach employees to recognize and report suspicious activity. Our IT leaders report on current trends and our cybersecurity infrastructure to the Audit Committee of the Board of Directors semi-annually.

### COMPLIANCE AND ETHICS

Cinemark seeks to implement and maintain practices that are ethical and reasonable. We believe that ethical and humane employee, customer, and vendor treatment are top priorities. Guided by our executive leadership team, we balance a drive for financial results with a fidelity to ethical professionalism. Cinemark has adopted and maintains a Code of Ethics that is posted on our website. The policies referred to therein apply to all employees of the Company. This Code covers all areas of professional conduct as well as compliance with all laws, rules, and regulations applicable to our business.

We provide every employee with a reliable and confidential method to report such issues as harassment, security violations, unfair labor practices, discrimination, threatening behavior, vandalism, workplace violence, substance abuse, theft, fraud, embezzlement, ethical violations, waste of time and/or resources, compliance and regulation violations, environmental damage, corporate scandal, or any other workplace issues in a safe and convenient manner. This service is available 24 hours a day, 7 days a week, and employees are able to make reports anonymously. Our Audit Committee reviews these reports quarterly. We also uphold a strict anti-retaliation policy for reports made in good faith.

### **SUPPLIERS**

We believe that strong corporate governance and effective management of enterprise risk and social supply chain are crucial for the long-term success of our business and stakeholders. Management regularly monitors and manages supply chain risks, while adhering to a business code of conduct for vendor selection. Vendors must comply with local laws and ethical business practices, which we assess through audits, contracts, and terms and conditions on purchase orders. We seek longterm relationships with partners based on mutual trust, respect, and cooperation. We are progressing towards a more inclusive and transparent centralized vendor selection process to ensure fairness and impartiality, while avoiding conflicts of interest. Our evaluation criteria will include ethical labor practices, community engagement, and sustainability initiatives. While we don't have full control over our supply chain or our suppliers, we strive to collaborate with like-minded partners who share our values.



**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



# **SUSTAINABILITY DEVELOPMENT GOALS (SDGS)**

The Sustainable Development Goals (SDGs) are a series of interlinked goals adopted by UN member states in 2015. These goals focus on creating a fairer, more just world with sustainable economic and environmental practices by 2030. The goals are ambitious and will only succeed through the combined efforts of government, business, and civil society.



Cinemark supports the SDGs and has prioritized several goals that most align with our business and which we believe we can make a positive impact.



### **GOOD HEALTH AND WELL-BEING**

Providing equitable access of health services for all and end preventable deaths



### **GENDER EQUALITY**

Achieve gender equality and empower all women and girls



### **CLEAN WATER AND SANITATION**

Safe drinking water and sanitation are human rights and fundamental to human health and well-being



### **DECENT WORK AND ECONOMIC GROWTH**

Promote sustained, inclusive, and sustainable economic growth; full and productive employment; and decent work for all



### **REDUCE INEQUALITIES**

Reducing all forms of inequality within and among countries



### RESPONSIBLE CONSUMPTION AND PRODUCTION

Encourages more sustainable consumption and production patterns through various measures



#### **CLIMATE CHANGE**

Take urgent action to combat climate change and its impacts



### **LIFE ON LAND**

Seeks to protect, restore, and promote the conservation and sustainable use of terrestrial, inland-water, and mountain ecosystems

**ENVIRONMENTAL RESPONSIBILITY** 

**SOCIAL IMPACT** 

**CULTURE OF GOVERNANCE** 

**ANNEX** 



### **SASB TABLE**

This annex expands transparency through key quantitative data compiled in accordance with the SASB frameworks and standards, along with additional details on our workforce, revenues, sales, stakeholders, locations, and certifications. In 2022, approximately 80% of our worldwide total revenues were generated in the U.S., therefore, unless otherwise specified, the data in the following table is representative of our domestic operations. In developing our ESG Report, we have compiled metrics organized by key ESG themes incorporated within the following tables and throughout the organization.

SASB TOPIC	SASB METRIC	SASB CODE	UNIT OF MEASURE	2022 DATA AND NARRATIVE RESPONSE
LEISURE FACILI	TIES			
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	SV-LF-130a.1	Gigajoules (GJ), Percentage (%)	(1) 1,552,813 GJ (2) 1,205,998 GJ, 78% Grid Electricity (3) 749,718 GJ, 48% Renewable 749,718 GJ, 62% Renewable Grid Electricity
Customer Safety	(1) Fatality rate and (2) injury rate for customers	SV-LF-250a.1	Rate	While Cinemark is committed to keeping our customers safe, we do not disclose fatality and injury rates. We may consider disclosing this metric in future reporting.
3 AGO PRILITAL STREET	Percentage of facilities inspected for safety, percentage of facilities that failed inspection	SV-LF-250a.2	Percentage (%)	Cinemark is committed to keeping our customers and employees safe. Currently, we do not disclose this metric. We may consider disclosing this metric in future reporting.
Workforce Safety 3 MOD HALTH 	(1) Total recordable incident rate (TRIR) and (2) near miss frequency rate (NMFR) for (a) permanent employees and (b) seasonal employees	SV-LF-320a.1	Rate	Cinemark is committed to keeping our employees safe. Currently, we do not disclose this metric. We may consider disclosing this metric in future reporting.
	Attendance	SV-LF-000.A	Number	Our attendance for 2022 was 109.3 million customers in the U.S. and 172.7 million customers globally.
Activity Metrics	Number of customer-days	SV-LF-000.B	Number	In 2022, the average visit time per customer was 118 minutes." The number of customer days for 2022 in the U.S. were 8.96 million and 14.15 million globally.

<sup>\*</sup>The average runtime of the 2022 wide release films, not factoring in time for advertising, trailers, or concessions purchases.

**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



SASB TOPIC	SASB METRIC	SASB CODE	UNIT OF MEASURE	2022 DATA AND NARRATIVE RESPONSE
HOTELS & LOD	GING			
Water Management	Total water withdrawn	SV-HL-140a.1	Thousand cubic meters (m³)	361,698 kGal
	(1) Voluntary and (2) involuntary turnover rate for facility employees	SV-HL-310a.1	Rate	Our turnover rate in the theatre/field is 120%, which is less than the retail average of approximately 150%.
Labor Practices	(1) Average hourly wage and (2) percentage of facility employees earning minimum wage, by region	SV-HL-310a.3	Reporting currency, Percentage (%)	(1) Average hourly wage is \$13.85 (2) 1,556 employees earn minimum wage out of a total of 17,485 employees, or 9.77%.
5 CENTRY  STOCKED WIND AND  RECORDED STOCKED IN  10 STOCKED STOCKED IN  THE STOCKED STOCKED IN  THE STOCKED STOCKED IN  THE ST	Description of policies and programs to prevent worker harassment	SV-HL-310a.4	n/a	The diversity of the Company's employees is a tremendous asset. Our Company is committed to equal opportunity for all employees and applicants without regard to race, color, religion, gender, sexual orientation, gender identity, age, national origin, ancestry, pregnancy, marital status, disability, veteran status, or any other characteristic protected by federal, state or local laws. We are committed to providing a workplace free from all forms of discrimination, including sexual and other forms of workplace harassment. We will not tolerate any illegal discrimination or harassment of any kind. Examples include, but are not limited to, derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. [CODE OF BUSINESS CONDUCT AND ETHICS FOR CINEMARK HOLDINGS, INC.]

**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



SASB TOPIC	SASB METRIC	SASB CODE	UNIT OF MEASURE	2022 DATA AND NARRATIVE RESPONSE
RESTAURANTS				
Food & Packaging Waste Management				
12 STONMENT COCOMMENT INTERVIENT	(1) Total amount of waste, (2) percentage food waste, and (3) percentage diverted	FB–RN–150a.1	Metric tons (t), Percentage (%)	<ul> <li>(1) 26,752 Tons</li> <li>(2) Currently, we do not disclose food waste.</li> <li>We may consider disclosing this metric in future reporting.</li> <li>(3) 7,374 Tons, 27.6% diverted</li> </ul>
	(1) Percentage of restaurants inspected by a food safety oversight body, 2) percentage receiving critical violations	FB-RN-250a.1	Percentage (%)	
Food Safety 3 ADD MILHING	(1) Number of recalls issued and (2) total amount of food product recalled  Note to FB-RN-250a.2—  Disclosure shall include a description of notable recalls and corrective actions implemented in response to events.	FB-RN-250a.2	Number, Metric tons (t)	Cinemark is committed to providing a safe, professional, and positive environment for everyone that enjoys our theatres. This
6 CELIN NOTES  ROS JANUTUR  VIEW	Number of confirmed foodborne illness outbreaks, percentage resulting in U.S. Centers for Disease Control and Prevention (CDC) investigation  Note to FB-RN-250a.3—  Disclosure shall include a description of foodborne illness outbreaks that were investigated by the U.S. CDC and corrective actions implemented in response to events.	FB-RN-250a.3	Number, Percentage (%)	includes taking the necessary steps to ensure food safety and prevent foodborne illnesses.

**ENVIRONMENTAL RESPONSIBILITY** 

SOCIAL IMPACT

**CULTURE OF GOVERNANCE** 

**ANNEX** 



SASB TOPIC	SASB METRIC	SASB CODE	UNIT OF MEASURE	2022 DATA AND NARRATIVE RESPONSE
RESTAURANTS	S, CONT.			
Labor Practices  5 COMPT OF THE PROPERTY OF T	Total amount of monetary losses as a result of legal proceedings associated with (1) labor law violations and (2) employment discrimination  Note to FB-RN-310a.3 – The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.	FB-RN-310a.3	Reporting currency	Cinemark is committed to providing a safe, professional, and positive work environment. We follow all applicable labor laws and we do not tolerate discrimination or harassment in any form. More information on our legal proceedings can be found under <i>Legal Proceedings</i> in our <u>10-K</u> .
PROFESSIONA	L & COMMERCIAL SERVICES			
Workforce Diversity & Engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees  Note to SV-PS-330a.1 – The entity shall describe its policies and programs for fostering equitable employee representation across its global operations.	SV-PS-330a.1	Percentage (%)	Cinemark believes that diverse ideas and perspectives in an equitable and inclusive environment lead to increased creativity, idea generation, and better decision making, which drives superior business performance. This in turn enriches the lives of our employees, families, guests, and communities. Our goal at Cinemark is for DEI to be interwoven within our culture and processes, going beyond physical differences, to foster an inclusive environment where everyone contributes to making a lasting and sustainable positive impact. With the support of our DEI Committee and sub committees, we will achieve this goal through employee awareness and engagement, developing leaders and team members, and attracting and retaining diverse talent.
8 INCOMPRESSIONS  10 MERCES  10 PROMITS	Employee engagement as a percentage  Note to SV-PS-330a.3 –  Disclosure shall include a description of the methodology employed.	SV-PS-330a.3	Percentage (%)	Cinemark is dedicated to promoting an engaged and productive workforce and regularly collects feedback from employees about their overall engagement experience. During 2022, Cinemark engaged with 67% of corporate staff and theater management. We utilize anonymous surveys via third-party applications biannually, as well as conduct ongoing internal feedback sessions to gain the pulse of the team. The survey responses and feedback help guide our leadership team to focus on key initiatives that improve our employee experience, as well as strengthen and grow our culture. Within our teams, we have dedicated engagement champions who support our leaders to drive engagement plans and provide real-time employee feedback.

# **CINEMARK**