

Lobbying Expenditures Disclosure - Climate 2018 – Disney (Walt) Company / ABC

WHEREAS, we believe in full disclosure of our company's direct and indirect lobbying activities and expenditures to assess whether Disney's lobbying is consistent with Disney's expressed goals and in the best interests of shareholders.

RESOLVED, the shareholders of The Walt Disney Company ("Disney") request the preparation of a report, updated annually, disclosing:

1. Company policy and procedures governing lobbying, both direct and indirect, and grassroots lobbying communications.
2. Payments by Disney used for (a) direct or indirect lobbying or (b) grassroots lobbying communications, in each case including the amount of the payment and the recipient.
3. Disney's membership in and payments to any tax-exempt organization that writes and endorses model legislation.
4. Description of management's decision making process and the Board's oversight for making payments described in sections 2 and 3 above.

For purposes of this proposal, a "grassroots lobbying communication" is a communication directed to the general public that (a) refers to specific legislation or regulation, (b) reflects a view on the legislation or regulation and (c) encourages the recipient of the communication to take action with respect to the legislation or regulation. "Indirect lobbying" is lobbying engaged in by a trade association or other organization of which Disney is a member.

Both "direct and indirect lobbying" and "grassroots lobbying communications" include efforts at the local, state and federal levels.

The report shall be presented to the Audit Committee or other relevant oversight committees and posted on Disney's website.

Supporting Statement: As shareholders, we encourage transparency and accountability in the use of corporate funds to influence legislation and regulation, both directly and indirectly. Disney spent \$26,685,000 from 2010 through 2016 on federal lobbying (opensecrets.org). This figure does not include lobbying expenditures to influence legislation in states, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent \$2,524,624 on lobbying in California from 2010 through 2016, and its lobbying in California has attracted media attention ("Family Friendly? Disney Funds Lobbyists Fighting to Deny Americans Parental Leave," Republic Report, May 29, 2012).

Disney is a member of the National Restaurant Association, which spent \$8.18 million lobbying in 2015 and 2016. And according to the U.S. Chamber of Commerce ("Chamber") website, Disney joined as a member in 1922. The Chamber spent over \$1.3 billion on lobbying since 1998. However, Disney does not disclose its memberships in, or payments to, trade associations, or the amounts used for lobbying. Disney will disclose its non-deductible trade association payments used for political contributions, but this does not include payments used for lobbying. This leaves a serious disclosure gap, as trade associations generally spend far more on lobbying than on political contributions. Transparent reporting would reveal whether company assets are being used for objectives that increase reputational and operational risk and that undermine Disney's long-term interests. For example, Disney signed the American Business Act on Climate Pledge, yet the Chamber has sued to block the EPA Clean Power Plan to address climate change.