

Whereas, we believe in full disclosure of Disney’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 Walt Disney (“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. Description of management’s decision making process and the Board’s oversight for making payments described 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 Governance and Nominating Committee and posted on Disney’s website.

Supporting Statement

We encourage transparency in Disney’s use of funds to lobby. Disney spent \$34,055,000 from 2010 – 2018 on federal lobbying. This does not include state lobbying expenditures, where Disney also lobbies but disclosure is uneven or absent. For example, Disney spent \$3,259,090 on lobbying in California from 2010 – 2018. And Disney also lobbies abroad, spending between €400,000 – €499,000 on lobbying in Europe for 2018.

Disney serves on the board of NCTA – The Internet & Television Association, which spent \$146 million on lobbying from 2010 – 2018, and belongs to the Chamber of Commerce (“Paris Pullout Pits Chamber against Some of Its Biggest Members,” *Bloomberg*, June 9, 2017), which has spent over \$1.5 billion on lobbying since 1998. Unlike peer group members Accenture, Cisco, Intel and Microsoft, Disney does not disclose memberships in, or payments to, trade associations, or the amounts used for lobbying. We believe Disney should reconsider its resistance to disclosure of its spending on public policy.

We are concerned that Disney’s lack of disclosure presents reputational risk when it contradicts company public positions. For example, Disney showed real leadership supporting the Paris Agreement on climate change (“Disney CEO Iger Quits Trump Council over Climate Decision,” *CNBC*, June 2, 2017), yet the Chamber opposed the Paris climate accord. A 2018 report looking at political engagement transparency rated Disney an “F” on responsible lobbying (“Disney, Huawei and EY among Worst Offenders in Disclosing Lobbying,” *The Guardian*, November 25, 2018). As shareholders, we believe that companies, including Disney, should ensure there is alignment between their own positions and their lobbying, including through trade associations. This proposal received 39.3 percent support in 2019 out of votes cast for and against.