

2012

The *WALT DISNEY* Company

DISNEY CITIZENSHIP

PERFORMANCE SUMMARY



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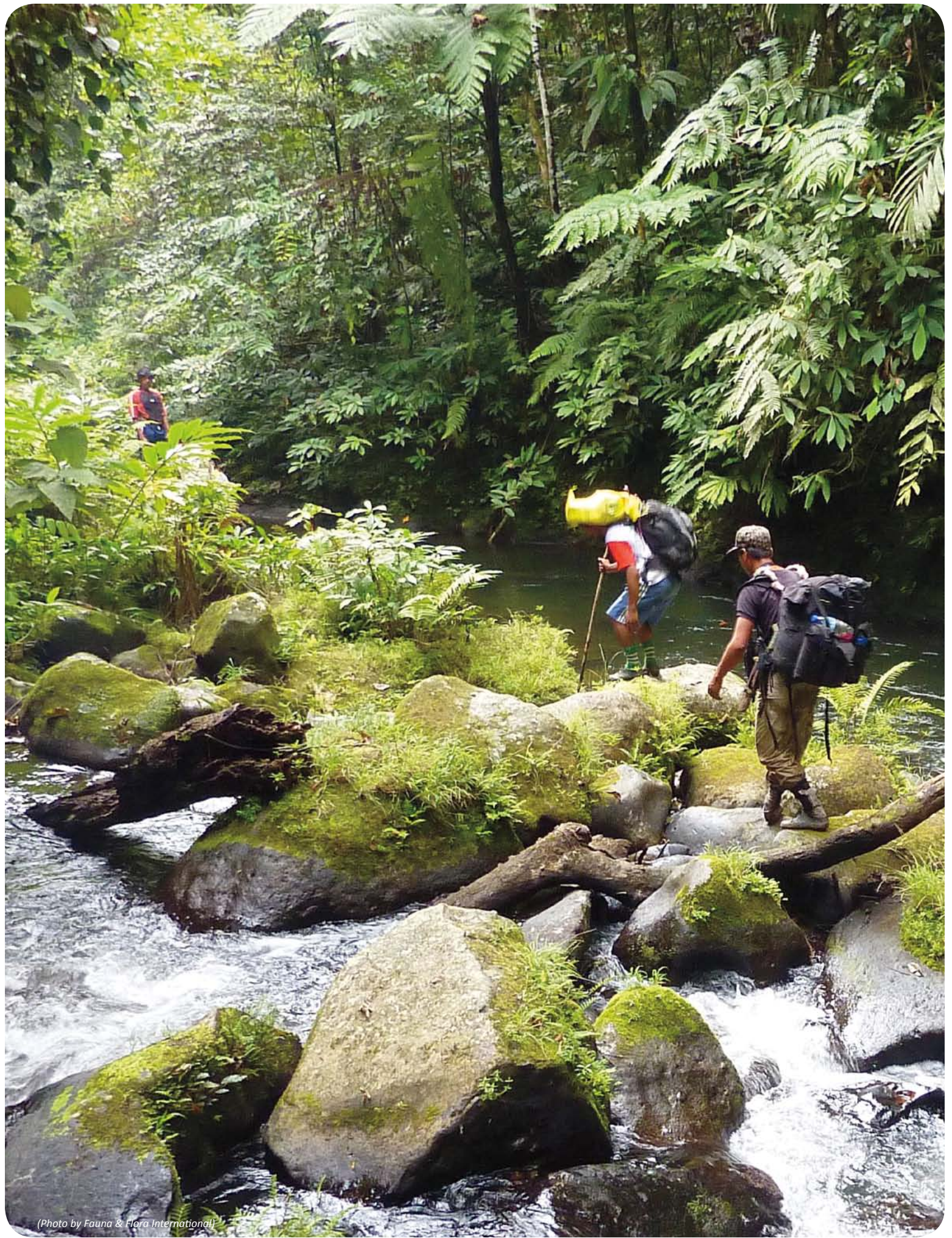
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To learn more about citizenship at Disney please visit www.thewaltdisneycompany.com/citizenship



Introduction

The Walt Disney Company

For more than four generations, The Walt Disney Company has consistently created and delivered exceptional entertainment experiences for people of all ages and interests. Now the largest entertainment company in the world, Disney is made up of five business segments: Media Networks, Parks and Resorts, Studio Entertainment, Consumer Products, and Interactive. The Walt Disney Company's globally-known consumer brands include: Disney, ABC, ESPN, Pixar, Marvel and LucasFilms. Disney is an S&P 50 company listed on the New York Stock Exchange.

For additional information about the five business segments of The Walt Disney Company please visit our corporate [website](#).

The Disney Worldwide Conservation Fund has invested \$20 million in grants to conserve habitats in more than half the countries in the world.

Message from Our CEO

Dear Stakeholders:

For the better part of a century, The Walt Disney Company has entertained and delighted families around the world with extraordinary experiences that expand the limits of imagination and set a new standard of excellence for family entertainment. We are now one of the world's best known and most respected brands, home to timeless stories and beloved characters, and have been recognized as one of FORTUNE's top ten "World's Most Admired Companies" for 2013.

We also have a rich history of philanthropy and good citizenship, and we continue to build on that legacy with our active, ongoing commitment to always act in a responsible manner.



Our citizenship mission includes conducting our business and creating our products in an ethical manner, including being good stewards of the environment through conservation programs and reducing our own carbon footprint; promoting the well-being of kids and families, including setting the industry's first standards for food ads in television programming targeting kids; and inspiring others to make a difference through our own actions and initiatives that encourage kids and families to get involved and be a force for positive change in the world.

We believe that doing the right thing for families is the right thing for our business. It makes Disney products more attractive in a marketplace with abundant choices. It strengthens the connection we have with the consumers who expect nothing less from the Disney brand. It makes Disney a more desirable place to work, helping us attract the very best and brightest to join our global cast. And it builds enormous goodwill in the communities in which we operate. All of these things create additional shareholder value, and contribute to The Walt Disney Company's continued growth and success.

Fiscal year 2012 was a landmark year for our citizenship efforts, and yet another record year for Disney's financial performance. While making tangible progress toward our citizenship goals, Disney also delivered record revenue, net income and earnings per share, and increased our shareholder dividend by 25%. Our total shareholder return of 76.3% for the year significantly outperformed the 30.2% return delivered by the S&P 500, and our shareholder return for the last five years is more than 12 times greater than the S&P 500.

We're proud of our progress and continue to work diligently toward our corporate citizenship goals. We recognize it is an ongoing effort that will never be fully completed. As we achieve our initial targets, we set new challenges for our Company to ensure we are constantly striving to improve.

On behalf of everyone at Disney, we appreciate your interest in our efforts.

Sincerely,

A handwritten signature in black ink, reading "Robert A. Iger". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert A. Iger
Chairman and Chief Executive Officer
The Walt Disney Company

Message from Our CFO

Dear Stakeholders:

In addition to overseeing the Company's finances the Chief Financial Officer of The Walt Disney Company is also responsible for leading our citizenship efforts, because corporate citizenship is embedded into our everyday actions and decisions. It allows us to integrate our work in citizenship with the financial strength of the Company, ultimately driving greater shareholder value.

I am happy to report that 2012 was not only another year of record financial results for Disney, it was also a banner year for our citizenship performance. We became the first major media company to build upon our landmark nutrition guidelines, and introduced food advertising standards for kids. We reduced our net direct and indirect greenhouse gas emissions, achieving our targets for the year and taking another major step forward in our efforts to reduce the Company's impact on climate change. We also implemented new policies to reduce the risk for workers and families along our extended supply chain.

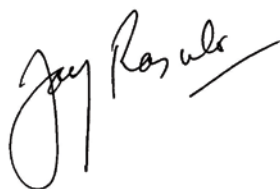
Driving positive change on a global scale is rarely easy, and the path to success is seldom straightforward. There are times we are required to accept minor setbacks in order to achieve sustainable, long-term benefit, and we are willing to make those short-term sacrifices to create the conditions for the meaningful progress required to drive lasting, positive impact.

Our 2012 Citizenship Performance Summary reflects our progress to date as well as some of the challenges we face. It is our first report tracking our progress against the targets we published in March 2012. The Performance Summary is supplemented by more information and stories about our programs on our Citizenship website, which is updated throughout the year.

At Disney, corporate citizenship is a continuing journey toward a brighter future. Being the best citizen of the world that we can be is a long-term investment that not only benefits us today, but will have an even greater impact in the decades to come.

I am proud of what we have achieved and appreciate your interest in Disney citizenship. We look forward to your feedback.

Sincerely,



Jay Rasulo

Senior Executive Vice President and Chief Financial Officer
The Walt Disney Company



Citizenship at Disney

AT DISNEY, WE BELIEVE THAT ACTING RESPONSIBLY IS AN INTEGRAL PART OF OUR BRAND. Good corporate citizenship strengthens our bond with consumers and stakeholders around the world, reinforces the attractiveness of our entertainment offerings and products, fundamentally adds to shareholder value, and sustains our reputation as an employer of choice.

Disney's mission is to always deliver, with integrity, the most exceptional entertainment experiences for people of all ages. We hold our citizenship efforts to the same high standard. Ultimately, our goal is to be the most admired company in the world. We believe we can achieve this goal by conducting our business and creating our products in an ethical manner, and by promoting the happiness and well-being of kids and families by inspiring them to join us in creating a brighter tomorrow.

In 2012, we set specific, quantifiable targets to measure our progress in a variety of citizenship areas, from reducing our environmental impact to ensuring respectful workplaces and encouraging volunteerism. We launched a Citizenship Council comprised of senior executives from throughout the enterprise, and we implemented new policies, standards, and guidelines that help ensure we are meeting our citizenship goals.

Being a good corporate citizen is the right thing to do for our customers and guests, our employees, and our business, and we continue to find ways to align citizenship initiatives with business opportunities. In March 2012, we launched Heroes Work Here, a company-wide effort to support U.S. veterans and military families by hiring at least 1,000 veterans—a goal we have already surpassed. In June 2012, we became the first major media company to set nutrition-focused food advertising standards on programming targeted to kids, continuing the leadership role we took in 2006 with our landmark nutrition guidelines.

Walt Disney once said that Disneyland would never be completed as long as there is imagination left in the world. At Disney, we think about citizenship in the same way. As long as we can imagine a brighter tomorrow, we know there is more work to be done.

For more on our plans for 2013, please see the Looking Ahead section.

Our Framework

Our citizenship targets provide tangible milestones that guide our citizenship efforts. In March 2012, we published our first set of enterprise-wide citizenship targets. These targets are a mix of short-, medium-, and long-term targets and represent work in our five main areas of focus:

- Community Engagement
- Responsible Content
- Environmental Stewardship
- Ethical Conduct
- Respectful Workplaces

This Report

This report reflects our shift from a “report” to the ongoing “reporting” of citizenship information and disclosures. We are moving from a biennial report to an annual performance summary focused on performance against targets. This will increase the frequency and transparency of our disclosures to stakeholders. Along with this performance summary, throughout the year we will publish stories, policies, and other performance-related information on our website that provide richer context about our work and the challenging citizenship environment in which we operate. Taken as a whole, our annual performance report along with these stories and website content will provide more frequent, and we hope, more relevant and transparent information about our citizenship efforts. For a more comprehensive view of our citizenship reporting, please visit the [Citizenship website](#).

As with the 2008 and 2010 Reports, we look to the Global Reporting Initiative (GRI) for guidance on specific reporting principles regarding content, quality, and report boundaries. We have taken measures to address the Media Sector Supplement in the GRI 3.1 guidelines. However, not all of the guidelines are applicable or appropriate to our business, and we have applied them flexibly.

This report was developed through the lens of several considerations including issue importance, stakeholder inclusiveness, sustainability context, completeness, balance, comparability, accuracy, timeliness, reliability, and clarity.

Performance data is presented throughout the report. Where relevant, we provide details on scale, scope and collection methodology. Using the GRI guidelines for accuracy, we believe the data we present is sufficiently detailed to allow for clear understanding of our disclosures. We take care to explain key estimates or assumptions that are used in the development of metrics.

This report represents our best effort to accurately depict our impacts, progress, and results as they relate to corporate citizenship. There are some cases where we have relied on estimates to communicate results. These areas are identified in the report.



The Disney Worldwide Conservation Fund inspires kids to develop lifelong conservation values by supporting opportunities for outdoor exploration and discovery.

Performance

Introduction

In March 2012, we published 58 enterprise-wide citizenship targets. Since their publication, a few targets expired and some new targets were added to bring this year's total to 65 targets. The expired targets are not included in this report but can be referenced from our citizenship [website](#). The new targets came from two announcements made during this past year.

- In June, we announced updated nutrition guidelines and new industry-leading advertising standards, which included two additional targets ensuring that all promotions and advertising for food were with compliant foods.
- In October, we announced a new paper policy, which added eight new targets focused on the implementation of our paper policy across Disney.



Disney Channel star and Friends for Change Ambassador Ross Lynch helps students green their elementary school.

We are proud of the progress we have made against these targets. The following outlines our 2012 performance on the 65 citizenship targets:

Status	Completed	On Track	Getting Started	Did Not Achieve
Total	15	43	5	2

We know that we still have a long way to go to achieve the majority of our targets, but are confident that we have the right strategies in place to achieve them within their described time frames.

Targets are vitally important in helping set a path and focusing priorities. But targets themselves are not representative of the final destination. For those targets that have expired or that we have completed, we continue to work with our business units to best understand how to make progress toward our broader citizenship goals. For those we did not achieve, we try to understand the reasons why and adjust accordingly. We also continue to refine targets as we learn from the experience of working towards them and understand how they align with strategic priorities, and explore the development of new targets as our strategic priorities change.

We will also consider shifting our disclosure on targets that are statements of commitment to narrative reporting on our website. Since the information related to these areas of citizenship does not include data and often does not change from year to year, we feel that they may not be appropriate “targets” for future reports.

Community Engagement

We seek to create lasting, positive change in the communities in which we live, work and play. Whether it's through corporate giving or the giving of time and talent by our Disney VoluntEARS, we understand and appreciate the importance of collaboration and inspiration in strengthening communities. We continue our company's legacy of giving as we seek to do our part in improving and enriching the lives of kids and families by contributing our time, resources, and energies in communities around the world.

The following are our goals for community engagement:

- Build on our philanthropic legacy with programs that share our resources to make lasting, positive change in communities and promote the happiness and well-being of kids and families
- Collaborate with organizations to support creativity programs and imaginative play
- Connect kids to nature through exploration and discovery
- Inspire kids and families to be physically active and spend more time outdoors
- Provide kids and families with opportunities to take positive actions for their communities, people and the planet
- Encourage volunteerism to make a meaningful difference in communities
- Leverage our core assets and competencies to help children in need
- Use the power of entertainment to promote giving

Performance Summary

Key:  Completed  On Track  Getting Started  Did Not Achieve

Target

Status

Summary

By 2013, implement a philanthropic strategy with three focus areas: Compassion, Conservation, and Creativity



We increased charitable giving in these three focus areas.

By 2012, launch a pilot creativity project



We launched a \$2.3M creativity pilot that supports six nonprofit organizations around the world.

By 2015, connect 35 million kids and families with nature experiences



In 2012, we connected 12.5 million kids and families with nature experiences.

By 2016, support the creation of 50 play spaces for kids



In 2012, we supported the creation of 22 play spaces for kids.

Promote physical activity and healthy living messages through our media platforms with over 500 hours of programming annually



In 2012, Disney Junior, Disney Channel, Disney XD, and Radio Disney aired over 950 hours of programming that promoted physical activity and healthy living messages.






By 2020, provide opportunities for kids and families to take 20 million actions that help people, communities, and the planet



In 2012, we tracked over 4.6 million actions taken by kids and families to help people, communities, and the planet.

Community Engagement

 Completed
  On Track
  Getting Started
  Did Not Achieve

Target	Status	Summary
By 2020, contribute more than 5 million hours of employee community service through the Disney VoluntEARS program		In 2012, Disney employees volunteered more than 586,000 hours through the Disney VoluntEARS program.
By 2014, ¹ set a baseline for the percentage of employees who volunteer at least one hour of service annually in the VoluntEARS program		We identified a system to help track participation that will be implemented by 2014.
By 2020, positively impact the lives of 10 million children and families in need		In 2012, we reached over 563,000 kids and families in need through a variety of efforts.
By 2014, donate 18 million books to organizations that provide new books to children in need		In 2012, we donated more than 8 million books.
By 2012, engage over 4 million players through online games to raise awareness of, and encourage participation in, giving to people and the planet		In 2012, we engaged more than 2.4 million players through our Pixie Hollow and Club Penguin properties, but we did not achieve this target.

¹ Target language updated since March 2012. See performance detail for more information.

Performance Detail

Goal

Build on our philanthropic legacy with programs that share our resources to make lasting, positive change in communities and promote the happiness and well-being of kids and families

Giving to and strengthening communities is one of the founding principles of our citizenship program. We build on our philanthropic legacy with initiatives that share our resources and talents to make lasting, positive change in communities and promote the happiness and well-being of kids and families.

For more information on our philanthropic history and programs, please visit the [charitable giving](#) section of our website. For stories about how our business units give to communities, visit the [Disney Post](#).

Target

Completed

**By 2013, implement a philanthropic strategy with three focus areas:
Compassion, Conservation, and Creativity**



We believe that being a good global citizen means using our company-wide resources to make a lasting, positive change in communities around the world. We collaborate with charitable organizations and engage the time and talent of our employees to provide resources, inspiration and opportunities for kids and families to improve their communities and enhance their health, happiness, and well-being.

In 2012, the Company disbursed more than **\$292.2 million** in cash, product, and in-kind contributions to charitable organizations across our three focus areas: Compassion, Conservation, and Creativity.

Examples of these contributions include:

- A new employee Matching Gifts Program from The Walt Disney Company Foundation that **matched more than \$2.7 million in contributions** to schools and to charitable organizations across the U.S. that provide services focusing on compassion, conservation, and creativity.
- A **\$500,000 grant** that provides access to national parks for underserved youth and supports service projects.
- More than **23.7 million servings of fruits and vegetables** provided to families in need through a grant to Feeding America.
- Successfully commissioned Dr. James Catterall from the Centers for Research on Creativity to develop an advanced creativity assessment instrument. Working with diverse afterschool creativity programs, the instrument is being piloted to evaluate growth in creativity skills among students participating in these programs.

Chart 1 Charitable Giving

Fiscal Year	2010	2011	2012
Total	\$198.3	\$248.5	\$292.2
Cash (millions, US\$)	\$44.3	\$42.9	\$56.5
Product Donations (millions, US\$) ²	\$68.5	\$104.1	\$181.6
In-kind Support, (millions, US\$) ³	\$85.5	\$101.5	\$54.1



Disney donated Mickey Mouse plush toys to the American Red Cross to help bring comfort to children affected by disasters.
(Photo by Talia Frankel/American Red Cross)

² Product donations include estimated values for tangible items such as merchandise, theme park tickets, food, and other products.

³ In-kind support refers to estimated values of public service airtime (PSAs), character/talent appearances, and other in-kind support. Due to differences in distribution, viewership, programming, availabilities, pricing, marketplace demand, and other variables, PSAs are valued differently across our media platforms. For example, in some cases PSAs are valued based on an average sales price for the time period. In other cases, the value is based on an average sponsor value across a daypart rotation. For these reasons, we do not use a single method to value PSAs.

Goal

Collaborate with organizations to support creativity programs and imaginative play

Disney is committed to harnessing the power of creativity and imagination to help kids and families improve their communities and create the future they imagine. By supporting nonprofits that celebrate multi-disciplinary learning through play, imagination, and storytelling, we are nurturing the creative thinking skills that will help children and families create a brighter future.

Target

Completed

By 2012, launch a pilot creativity project



In 2012, we launched a creativity pilot program to help bridge the critical creative thinking skills gap. This program provided **\$2.3M in support** to nonprofit organizations to implement creativity projects for kids in the U.S., Europe, and Asia. The projects were designed to cultivate and nurture creativity primarily during afterschool and out-of-school time and provided innovative approaches to multi-disciplinary learning.

Examples of these projects include:

- A groundbreaking, play-based curriculum that transforms unstructured recess time into engaging learning time for **179,000 kids** across the U.S.
- A new creative learning program in China serving more than **68,000 rural children** in grades 3-5.
- A creativity lab themed in virtual worlds reaching **450 kids** in the U.S. and around the world.
- A theater program that brings Disney licensed musicals into underserved schools in Nashville, TN, allowing **305 kids, their teachers, and their families** to participate in all aspects of production.
- A hands-on afterschool learning laboratory **for more than 300 kids** from disadvantaged populations in Los Angeles, CA.

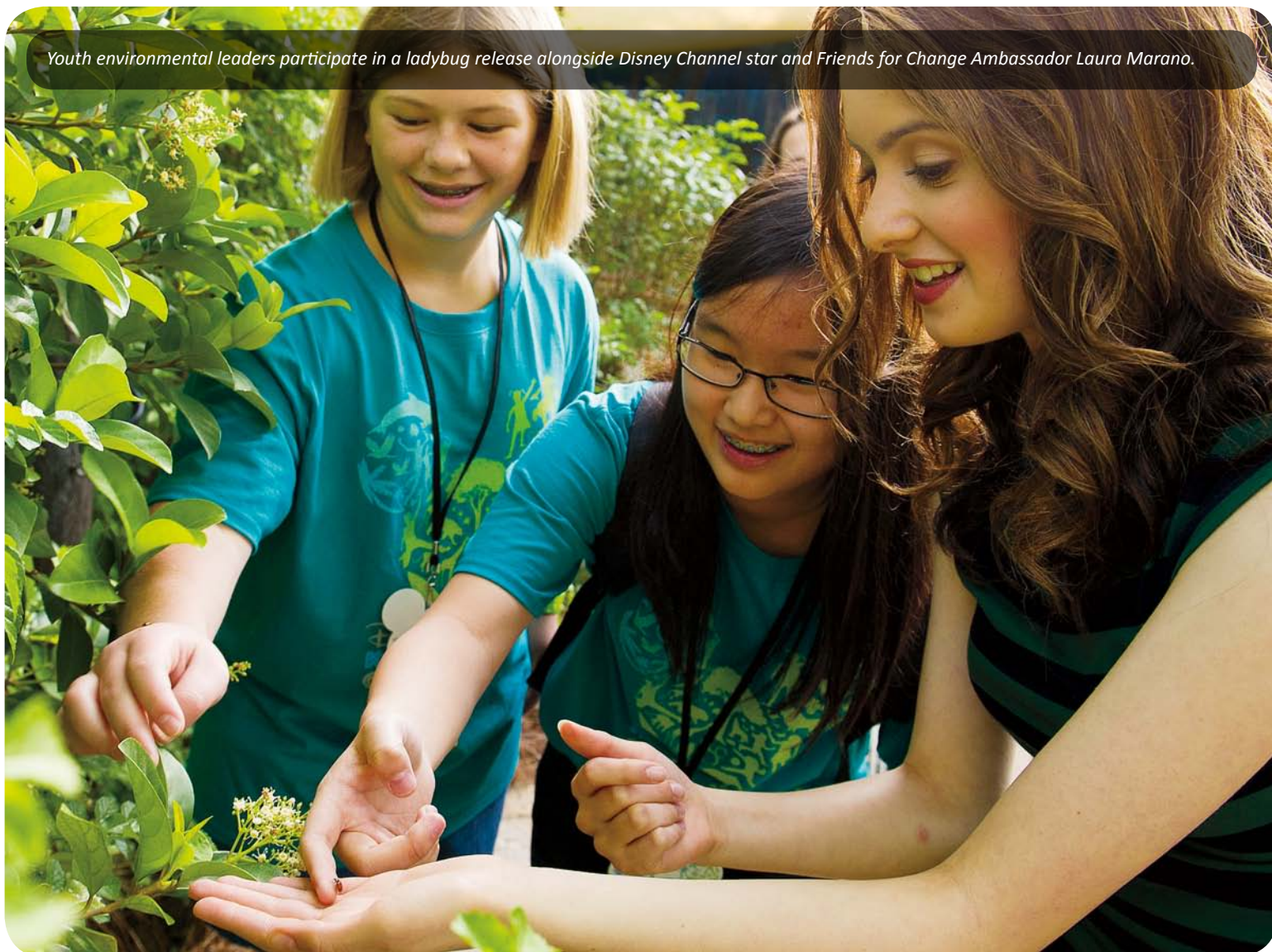
Goal

Connect kids to nature through exploration and discovery

Disney is focused on ensuring that future generations have experiences and opportunities that help them develop lifelong conservation values through nature exploration. We also recognize that we can help inspire and support parents by sharing with them the value of nature and how it nurtures the development of healthier kids and families.

For more information on our commitment to connecting kids to nature, please visit the [nature conservation](#) section of our website.

Youth environmental leaders participate in a ladybug release alongside Disney Channel star and Friends for Change Ambassador Laura Marano.





The Disney Worldwide Conservation Fund and Disney Friends for Change supported the National Park Foundation's Ticket to Ride program, which provides transportation for kids to visit national parks. This class had the opportunity to explore Everglades National Park in Florida with a park ranger.

Target

On Track

By 2015, connect 35 million kids and families with nature experiences



Guest conservation experiences and interactions are an ongoing focus in the areas of Walt Disney Parks and Resorts where Disney shares the wonder of nature. We measure how we connect kids and families to nature by the number of experiences and interactions with Walt Disney Parks and Resorts “Animals, Science and Environment” facilitators and team members in structured, measurable programs. In addition, we provide philanthropic support to organizations and programs connecting kids and families with nature.

We are pleased to report in 2012 a total number of **12.5 million specific interactions** with nature experiences. Our cast members work every day to inspire the next generation of conservationists. Day in and day out, we share the magic of nature with families at Disney's Animal Kingdom Theme Park and The Seas at Epcot through savanna tours on Kilimanjaro Safari and one-on-one interactions. Other experiences include those on Castaway Cay (Disney Cruise Line's private island) and at our Aulani and Vero Beach Disney Vacation Club Resorts. For example, guests can join a conservation biologist to [inventory](#) and report on sea turtle nests at our Vero Beach Resort. At Castaway Cay, guests can experience live [stingrays](#) in their natural environment with a marine science expert. These experiences helped us connect 8.3 million kids and families with nature in 2012.

In 2012, we also began a focused effort to provide philanthropic support through the Disney Worldwide Conservation Fund to enable organizations to get more kids and families into nature. The [Disney Kids and Nature Celebration](#) awarded \$500,000 to five highly respected organizations: the Children & Nature Network, Jane Goodall's Roots and Shoots, National Wildlife Federation, The Nature Conservancy, and Youth Service America. In collaboration with Disney Friends for Change, we also [supported](#) a \$500,000 grant to the National Park Foundation, which allowed thousands of students to enjoy field trips to America's treasures. These grants helped these nonprofit organizations reach more than 4.2 million youth in 2012.

Goal

Inspire kids and families to be physically active and spend more time outdoors

Playing outside is critical to keeping kids physically fit. Studies also show that play is important in the development of children's imagination and cognitive and emotional strength. Disney Magic of Healthy Living is helping to expand access to play experiences — working to build community playgrounds and support active play instruction.

For more information on how we inspire kids and families to spend more time outdoors, visit the [TRYit page](#) and our [Magic of Healthy Living brochure](#).

Target

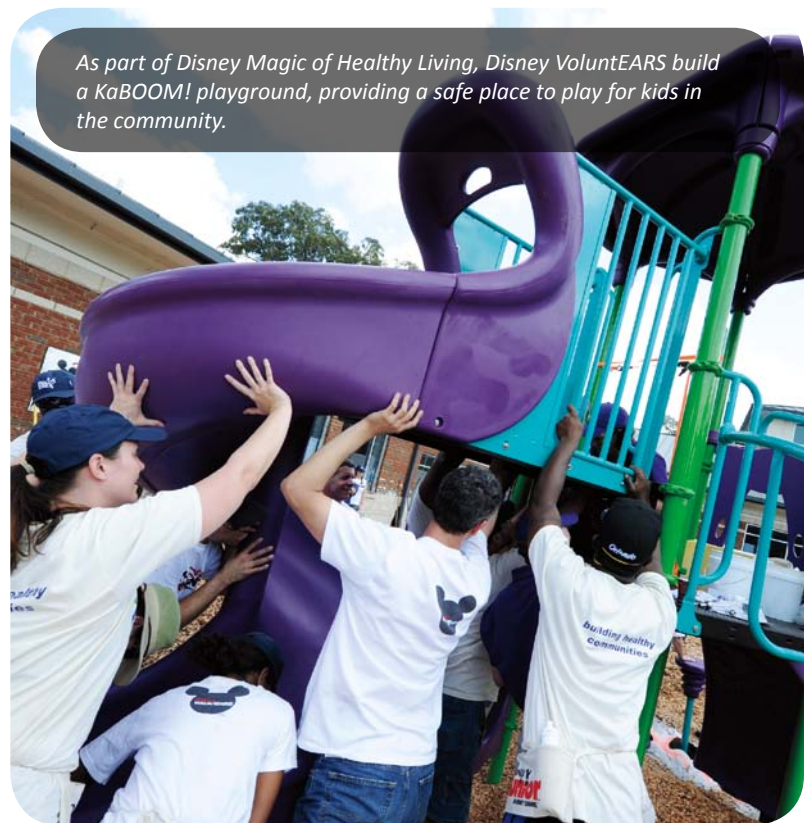
On Track

By 2016, support the creation of 50 play spaces for kids



Nearly 70% of lower-income families in the U.S. say they do not have access to a community playground. Yet nearly all parents say playing outside is critical to keeping their kids physically fit. Play allows kids to use their imagination and further develop their dexterity and physical, cognitive and emotional strength to support child development. Through collaborations with organizations such as KaBOOM!, Disney is committed to building creative play spaces that improve the well-being of kids.

In 2012, Disney supported the creation of **12 new playground projects and 10 grants for Imagination Playgrounds in a Box** (a mobile kit of foam objects suitable for a variety of indoor and outdoor spaces). Disney VoluntEARS gave additional support to these communities by helping to build the playgrounds.



As part of Disney Magic of Healthy Living, Disney VoluntEARS build a KaBOOM! playground, providing a safe place to play for kids in the community.

Supporting Creativity and Play Around the World

With Disney's support, UNICEF recently launched their [P.L.A.Y. initiative](#) in Haiti and Bangladesh, bringing portable playground units to children living in disaster-recovery conditions and extreme poverty. Using this free form of play, children will be able to enhance their self-expression, tap into their curiosity, build their confidence, and prepare for school and learning. The UNICEF P.L.A.Y. initiative will reach more than 10,000 children through the placement of 30 Imagination Playgrounds in primary schools and child-friendly spaces in Haiti and Bangladesh.

Target

Promote physical activity and healthy living messages through our media platforms with over 500 hours of programming annually

On Track



Disney is committed to promoting healthy lifestyles. Through public service announcements, content and storylines, we are providing inspiration for parents and kids to make healthy choices simple and fun.

In 2012, Disney Junior, Disney Channel, Disney XD, and Radio Disney **aired over 950 hours** of programming that promoted physical activity and healthy living messages. Programming included healthy living messaging within standalone programs such as the Disney TRYathlon on Disney XD. A majority of the programming integrated physical activity and healthy messaging within existing storylines such as Disney Junior's *Tasty Time with ZeFronk*, Mickey's *Mousekercize*, Disney XD's *Kickin' It* series, and Disney Channel's *Shake It Up* series.



Goal

Provide kids and families with opportunities to take positive actions for their communities, people, and the planet

Disney leverages our unique reach and global businesses to help kids and families take action on important topics, ranging from protecting the environment to helping those in need. Our engagement efforts are designed to inspire kids and families to create a brighter tomorrow.

For more information on how we provide kids and families with opportunities to take positive action, visit [Disney Friends for Change on our citizenship website](#).

Target

On Track

By 2020, provide opportunities for kids and families to take 20 million actions that help people, communities, and the planet



We believe that small individual actions can have a collective impact that transforms communities. Through Disney initiatives, and through initiatives we support, we believe we can inspire kids, families, and employees to create a brighter tomorrow.

In 2012, we tracked over **4.6 million actions** taken by kids and families to make a difference. This includes over 200,000 online pledges to help stop bullying in the U.S., over 200,000 family volunteer projects in collaboration with Points of Light and Radio Disney, and support for almost 600,000 global cleanup events. In 2012, we also created a Disney Friends for Change (FFC) Youth Grant program, which offers young change-makers an opportunity to receive a \$1,000 grant to help make a lasting, positive change in the world. Last year, the program supported 150 projects, launching for the first time in Latin America and the UK. To date, Disney's contribution of nearly \$900,000 has funded over 750 FFC Youth Grant projects in 55 countries impacting the lives of over 500,000 people.



Elementary and middle-school classrooms were recognized for their environmental school projects at the Disney Friends for Change Youth Summit.

Disney Friends for Change

Since the [Disney Friends for Change](#) program launched in 2009, Disney has engaged millions of kids and their families to take positive actions in their lives and communities that help people and the planet. To date, we have tracked almost 19 million global actions ranging from cleanup events, donation drives, online pledges to help stop bullying in schools and communities, volunteer hours, and tree and garden plantings.



Disney Channel stars and Friends for Change Ambassadors Ross Lynch and Laura Marano help students build a vegetable garden at a Los Angeles elementary school.

Goal

Encourage volunteerism to make a meaningful difference in communities

We play an active role in local communities through charitable giving, volunteerism, and community collaboration. We encourage our employees to volunteer by providing inspiration, resources, and incentives. Our employees around the world are making a positive impact in our communities, and their passion and commitment are inspiring others to volunteer.

For more information on our commitment to volunteerism, visit the [employee engagement](#) section of our website.

Target

On Track

By 2020, contribute more than 5 million hours of employee community service through the Disney VoluntEARS program



Volunteerism is an enduring part of Disney's legacy and culture. The Disney VoluntEARS program provides opportunities for employees to give their time and talent to local communities in countries around the world.

In 2012, Disney VoluntEARS gave **over 586,000 hours of service** to nonprofit organizations around the world, focusing on helping kids and families in the areas of compassion, conservation, and creativity. Activities included both one-time and ongoing VoluntEARS team builds and family-friendly projects. In 2012, a new skills-based volunteerism program was piloted in Los Angeles to leverage employees' skills to help build capacity and meet critical needs of nonprofit organizations.



Throughout the world, Disney VoluntEARS are giving back to the community and helping care for the world we share.



Mickey Mouse and Minnie Mouse help comfort a young girl during her hospital stay.

Target

By 2014,⁴ set a baseline for the percentage of employees who volunteer at least one hour of service annually in the VolunteARS program

On Track



The VolunteARS program celebrated its 29th anniversary in 2012. To continue to grow and strengthen this program, we are working to develop a deeper understanding of how many of our employees volunteer in addition to the total amount of hours donated.

In 2012, Disney evaluated current systems and needs and researched new systems and technologies available for tracking Disney VolunteARS participation. We formed a working group to help assess business needs. By 2014, we will implement a new system to more effectively track participation. This system will help determine a baseline percentage for employee volunteer participation.

⁴ This target has been updated since publication in March 2012. Due to system development, we have adjusted the target completion date from 2013 to 2014.

Goal

Leverage our core assets and competencies to help children in need

Disney is committed to using our time, talent, and resources to help children in need. Our contributions include working with children's wish-granting organizations around the world, supporting children's hospitals, assisting in disaster situations, and donating toys, DVDs, books, clothing, and much more to those less fortunate.

For additional stories on how we leverage our core assets and competencies to help children in need, visit the [Disney Post](#).

Target

Getting Started

By 2020, positively impact the lives of 10 million children and families in need



Giving to and strengthening communities is one of Disney's founding principles. In communities around the world, we focus on being a good local citizen and demonstrate our leadership as a caring, compassionate company.

In 2012, Disney positively impacted the lives of more than **563,000 kids and families** through projects such as hospital visits, military and veteran family support, disaster preparedness and relief efforts, wish-granting, and other compassion-related programs.



At local events across the country, children in need received over 8 million books from Disney Publishing in 2012. (Photo by First Book)

Target

On Track

By 2014, donate 18 million books to organizations that provide new books to children in need



Disney has a long tradition of storytelling. To this end, Disney joined forces with key nonprofit organizations with the goal of sharing the gift of storytelling with the next generation of readers and storytellers. In 2012, we donated more than **8 million books to nonprofit organizations** such as First Book and Toys for Tots. These donations helped get books into the hands of children who otherwise would have had little or no access to new books.



Children read with Marvel Comics Close-Up!

Goal

Use the power of entertainment to promote giving

Since Disney's earliest days, our guiding philosophy has been to act as a compassionate and generous company that leverages our resources to bring happiness, hope, and laughter to the lives of children and families in need and promotes a culture of giving. Disney also uses our media platforms to inspire others to make a difference. Our work with online games is one example of our efforts.

For more information on how we use the power of entertainment to promote giving, visit [Club Penguin](#), [Pixie Hollow](#) and the [Disney Post](#) for additional stories.



Club Penguin players are taking action to change the world.

Target

Did Not Achieve

By 2012, engage over 4 million players through online games to raise awareness of, and encourage participation in, giving to people and the planet



Disney believes that kids can change their world through connected play. In the virtual worlds Disney Interactive creates, children who play online are encouraged to realize they can make a difference in the real world.

In 2012, we inspired kids around the world to take action by engaging over **2.4 million players** through our Pixie Hollow and Club Penguin properties. Some examples of these engagements include:

- During Club Penguin's 5th Annual [Coins For Change](#), over 2.4 million children from 191 countries used virtual coins they earned playing games to help decide where a \$2 million donation would go over a two-week period in December.
- In the virtual world of Pixie Hollow, children joined together over a two-week period to participate in "Pixie Hollow Nature Days" in which participants committed to taking an environmental action and earned a virtual badge for their efforts. In addition, kids submitted their artwork and ideas in an "[Art For Nature](#)" contest in which they illustrated their ideas for an eco-friendly garden along with their ideas for protecting the environment.
- During Club Penguin's Earth Day Event, players in the virtual world of Club Penguin were inspired to think about protecting endangered species through role-playing in the habitats of the endangered Rockhopper Penguin, African Painted Dog, Snow Leopard and Lion.
- During Club Penguin's Warm Coats & Warm Hearts engagement, players in the virtual world of Club Penguin were challenged to submit their drawing of a warm coat during Good Morning America's Warm Coats & Warm Hearts drive. Those who were in New York City were asked to bring a warm coat to the Good Morning America Studio; players in other parts of the country were asked to locally donate used clothing to those in need.

Although we are proud of our results, we did not achieve the target we set out for ourselves. We will incorporate these findings into the next generation of products that raise awareness of giving to people and the planet.

Responsible Content

Across our diverse theme parks, films, networks, and other entertainment properties, we strive to create and market responsible, high-quality product, and entertainment experiences. From unparalleled theme parks where safety is our most important core value, to consumer products that families can feel comfortable bringing into their homes, to content that lives up to the high expectations consumers have of our brands, we know we must continue to earn the trust of our guests, consumers, and stakeholders every day. We take this responsibility seriously and do so with great pride. The following are our goals for developing responsible content.

- Prioritize and promote nutritious foods
- Recognize kids who make positive contributions to their environment or communities
- Integrate feedback from parents and caregivers into the development of our entertainment experiences
- Provide parents and caregivers with the tools to help them make informed entertainment choices
- Develop marketing for kids that focuses on the positive attributes of our entertainment experiences in a respectful and appropriate manner
- Promote safety for kids
- Create age-appropriate entertainment experiences for kids
- Reflect a diversity of cultures and backgrounds in our entertainment experiences for kids and families
- Promote leading policies on product and guest experience safety

Performance Summary

Key:  Completed  On Track  Getting Started  Did Not Achieve

Target

Status

Summary

By 2020, increase the percentage of globally licensed wholesale food sales dedicated to everyday foods that meet our global nutrition guidelines from 66% to 85%, and continue to meet our 85% target in North America



We have increased the percentage of globally licensed wholesale foods that meet our guidelines to 70% and continue to meet our target in North America.

By 2020, sell over 5 billion servings of fruit, and vegetables to kids and families



In 2012, the North America licensing business provided over 386 million servings of fruits and vegetables.

New Target: Virtually all Disney-controlled, kid-oriented promotions and sponsorships will be with food and beverages that comply with the nutrition guidelines



Globally, kid-oriented promotions and sponsorships continue to follow the regional nutrition guidelines. In the U.S., virtually⁵ all promotions and sponsorships either meet the 2006 criteria or already meet the 2012 updated criteria.

New Target: By 2015, all Disney-controlled advertising on U.S. kid-focused media platforms and Disney-owned online destinations oriented to families with younger children will be with food and beverages that comply with the nutrition guidelines



In 2012, we started work to identify an accurate reporting system that will track compliance.

By 2016, air 300 hours of content annually that showcases kids' contributions to their communities and the environment



In 2012, we aired more than 20 hours of content that showcased kids' contributions.

⁵ The few exceptions are generally a result of pre-existing contractual commitments.

Responsible Content

 Completed
  On Track
  Getting Started
  Did Not Achieve

Target

Status

Summary

Continue to listen to the opinions of parents and caregivers in the development of our entertainment experiences



Every major content creation unit conducted research with parents and heard their concerns first-hand.

Build world-class console experiences for gaming and Disney enthusiasts that receive no higher than a "T" rating based on the standards of ESRB (Entertainment Software Ratings Board) and PEGI (Pan European Game Information)



All console products received no higher than a "T" (or its PEGI equivalent) rating.

Maintain advertising and marketing guidelines for all media outlets that target children 12 and under



We continue to maintain marketing and advertising guidelines and conducted a comprehensive review in 2012 to ensure they are in line with best practice.

Continue to integrate Internet safety initiatives across all Disney Interactive platforms and products



Disney Interactive continues to integrate online safety by design into existing and developing interactive gaming products.

By 2012, support Internet safety programs through our external partnerships that will train over 100,000 children, parents, and teachers globally



In 2012, well over 100,000 children, parents and teachers were trained on the importance of online safety, how to mitigate risks, and manage discussions with young people.

Continue to implement our policy of zero instances of cigarette smoking depictions in U.S. Disney-branded films⁶



In 2012, there were zero cigarette smoking depictions in Disney-branded films in the U.S.

⁶ Target language updated since March 2012. See performance detail for more information.

Target

Status

Summary

All North American Disney Stores will host in-store events that entertain and educate kids about different cultures, backgrounds, behaviors or skills to expand their awareness of and appreciation of the world



Disney Stores hosted “Brave Adventure” events to engage children in learning about the culture and history of Scotland.

Walt Disney Parks and Resorts will expand its external partnerships and related activities to ensure cultural relevancy worldwide



Walt Disney Parks and Resorts partnered with many organizations to ensure cultural relevancy.

By 2013, continue to work with our vendors, suppliers, and licensees to evaluate the chemicals and substances in Disney-branded products⁷



Disney monitors scientific studies and regulatory trends and meets with stakeholders to stay informed about substances that are or are proposed to be regulated.

By 2012, improve upon existing safety protocols by implementing a global, integrated product management system to track food quality and safety compliance of existing licensee base, and by 2015, validate all licensees’ compliance with internationally-recognized safety standards consistent with Disney requirements



In 2012, we rolled out a global product management system, and we are on track to validate all licensees by 2015.

Walt Disney Parks and Resorts (WDP&R) will expand availability of Disney-licensed technology and expertise on safety and accessibility for third-party use⁸



Accessibility technology utilizing Disney-licensed and patented technology has been installed in 17 national parks, museums, and sports venues across North America.

⁷ We have modified this target to better reflect our ongoing efforts to proactively evaluate and manage the chemicals and substances in Disney-branded products.

⁸ Target language updated since March 2012. See performance detail for more information.

Performance Detail

Goal

Prioritize and promote nutritious foods

Disney partners with parents in their quest to raise healthy, happy kids, and we recognize our unique ability to help parents and kids make positive lifestyle choices. Our Disney Magic of Healthy Living program associates Disney brands and characters with a more nutritionally-balanced range of foods, offering healthier options at our theme parks and with our licensed foods, and inspiring healthier lifestyles among kids.

For more information on how we prioritize and promote nutritious foods, visit the [Magic of Healthy Living website](#).

Target

On Track

By 2020, increase the percentage of globally licensed wholesale food sales dedicated to everyday foods that meet our global nutrition guidelines from 66% to 85%, and continue to meet our 85% target in North America



Disney licenses its brands and characters on a range of food products available to consumers in retail stores worldwide. We make an effort to work with licensees who offer a portfolio of food that kids enjoy and parents feel good about serving. Further, we aim to prioritize and promote wholesome foods such as fruits, vegetables, low-fat dairy, whole grain, and lean proteins that contribute to a healthful diet. In 2006, we set a long-term goal of balancing our licensed food portfolio so that 85% of it would meet our nutrition guidelines. The balance of our licensed food portfolio allows for special occasion items such as birthday cakes, confectionery products, and other celebratory treats.

In North America, during 2012, we **continued to meet our target of having 85%** of wholesale food sales consist of everyday foods that meet our nutrition guidelines. Globally, we also made progress toward our 2020 target. In 2012, **70% of globally licensed wholesale foods sales**—up from 66% in the previous year—consisted of everyday foods that meet our global nutrition guidelines.

Chart 2 Nutrition Guideline Adoption in Disney's Global Licensed Food Portfolio

Fiscal Year	2010	2011	2012
Percentage of Disney-licensed food sales dedicated to everyday foods that meet our nutrition guidelines, North America	Meets 85% Goal	Meets 85% Goal	Meets 85% Goal
Percentage of Disney-licensed food sales dedicated to everyday foods that meet our nutrition guidelines, Global	62%	66%	70%

Target

On Track

By 2020, sell over 5 billion servings of fruits and vegetables to kids and families



It is in defining the intersection between health and fun that Disney has been, and will continue to be, a leader. One way we demonstrate this leadership is by actively encouraging healthier lifestyles and food choices rather than by focusing primarily on dietary restrictions. To this end, in 2012 our North American licensing business provided over **386 million servings of fruits and vegetables** to kids and families through a broad network of retail and wholesale partners.



Disney Channel and Disney XD stars inspired kids and families to TRY new foods, fun moves, and simple ways to be their best at the 2012 TRYathlon.

New Nutrition Targets

Inspiring healthier lifestyles is a company-wide commitment. In 2006, Disney became the first major media company to establish nutrition guidelines, which associate its brands and characters with more nutritionally balanced foods. In 2012, we took the next important step to support healthier lifestyles for kids and families when we became the first major media company to announce new industry-leading standards for food advertising on programming oriented to families with younger kids. Under Disney's new standards, all food and beverage products advertised, sponsored, or promoted on Disney Channel, Disney XD, Disney Junior, Radio Disney, and Disney-owned online destinations oriented to families with younger children will be required to meet Disney's updated nutrition guidelines by 2015.

Disney's nutrition guidelines were developed with the help of experts and align to the federal Dietary Guidelines for Americans. The criteria assess food items and meals based on the following:

- Do they contribute to a nutritious diet? (i.e. fruits, vegetables, whole grains, low-fat dairy, or lean protein)
- Do they encourage kid-appropriate portions? (i.e. calorie criteria)
- Do they limit "nutrients to avoid?" (i.e. sodium, sugar, saturated fat, trans fat)

We developed two new targets to reflect how we will implement the guidelines.

New Target

On Track

Virtually⁹ all Disney-controlled, kid-oriented promotions and sponsorships will be with food and beverages that comply with the nutrition guidelines



Disney's iconic characters, creativity, and family entertainment platforms offer a unique position from which Disney can help make nutritious eating more appealing and fun. In 2006, Disney became the first major media company to establish nutrition guidelines, which associate its brands and characters with a more nutritionally balanced range of foods. In addition to encouraging the consumption of nutritionally-dense foods such as fruits, vegetables, whole grains, and low-fat dairy, the nutrition guidelines aim to control calories, fat, saturated fat, sugar, and sodium; eliminate added trans fat, partially hydrogenated oils, and caffeine; and encourage appropriate portions for children 12 years and younger.

Disney's nutrition guidelines are developed with expert opinion, regional government recommendations, and the consideration of foods available in the marketplace. Disney also maintains regional nutrition guideline criteria that recognize the nutritional and cultural differences around the world, while staying true to science. Disney will at times update its nutrition criteria if expert opinion, government recommendations, or food supplies change. Upon updating the nutrition criteria in a region, the region has three years to bring the promotions and sponsorships into compliance with the new criteria. In June 2012, the United States updated its nutrition criteria, and will fully adopt the new criteria for all kid-oriented promotions and sponsorships by 2015.

Globally, kid-oriented promotions and sponsorships continue to follow the regional nutrition guidelines. In the United States, virtually all promotions and sponsorships either meet the 2006 criteria or already meet the 2012 updated criteria. In 2011, Disney held trainings for employees in promotion, sponsorship, and advertising roles and began work to formalize its reporting process.

⁹ The few exceptions are generally a result of pre-existing contractual commitments.

New Target

On Track

By 2015, all Disney-controlled advertising on U.S. kid-focused media platforms and Disney-owned online destinations oriented to families with younger children will be with food and beverages that comply with the Nutrition Guidelines



In 2012, Disney became the **first major media company to set a new standard for food and beverage advertising to kids in the United States**. Disney kid-oriented media platforms alone reach almost 100-million U.S. households, so this represents a significant opportunity to make a positive impact on the type of food marketing children view every day. Under Disney's new standards, all food and beverage products advertised, sponsored, or promoted on Disney Channel, Disney XD, Disney Junior, Radio Disney, ABC's owned-and-operated stations' Saturday morning kids' programming, and Disney-owned online destinations oriented to families with younger children will be required to meet Disney's nutrition guidelines by 2015.

In 2012, Disney started work to identify an accurate reporting system that will track compliance. Disney will build on this work in 2013 and is on track to share preliminary data in 2013.



Disney continues to add nutritious foods and beverages in its theme parks and resorts, making healthier options easily accessible for families while on vacation.

Goal

Recognize kids who make positive contributions to their environment or communities

We recognize that the stories of real kids making a difference in their communities are often the stories that are most powerful and inspirational to other children. We leverage our media resources to recognize and celebrate the positive contributions kids are making in the world.

For additional information on how we recognize the contributions of kids, visit [Friends for Change](#) and [DisneyChannel.com](#)

Target

Getting Started

By 2016, air 300 hours of content annually that showcases kids' contributions to their communities and the environment



We believe that kids are often most inspired by the ideas, actions, and accomplishments of their peers. By showcasing the contributions of kids, we aim to both recognize the impact they are having on communities and inspire others to do the same.

In 2012, Disney Channel Worldwide platforms aired over **20 hours of content** showing how kids have contributed to their communities and the environment. Content included interstitials featuring Disney Channel talent, as well as kids' contributions through programs such as Friends for Change. The [Disney Kids and Nature Celebration](#) was also highlighted across media platforms, and short features called "The Time I..." showcased important milestones in kids' lives, such as volunteering or walking in support of finding a cure for diabetes.

Goal**Integrate feedback from parents and caregivers into the development of our entertainment experiences**

Parents and caregivers are an important audience who guide our thinking on developing age-appropriate children's entertainment. We engage in regular dialogue with parents at our theme parks and stores, at focus groups, in online surveys and screenings, and via multiple online platforms, and social media. Feedback from parents and caregivers is critical to creating quality entertainment that meets the needs of today's diverse families.

For more information, see our Disney Parks [Moms Panel](#) website as an example of our engagement with parents and caregivers.

Target**On Track****Continue to listen to the opinions of parents and caregivers in the development of our entertainment experiences**

Parents and caregivers are key partners in helping guide and shape our approach to entertainment for kids. Parents know their kids best. We strive for balance when developing age-appropriate entertainment experiences. We want kids to love our entertainment, and we want parents to trust that we are delivering quality content.

Each year, every major content creation unit conducts consumer research to learn about consumers' entertainment experiences in general, and Disney entertainment experiences in particular. This feedback helps us ensure that we are meeting consumer needs and serves to remind us that Disney is often held to a higher standard in terms of consumer expectations. This primary research with parents, combined with the regular consumer feedback through guest surveys at our theme parks, as well as other sources such as social media, helps us to create new products and experiences and ensure that existing products and experiences continue to deliver the brand promise of quality entertainment that parents and children can enjoy together.

Goal

Provide parents and caregivers with the tools to help them make informed entertainment choices

We encourage parents to be actively engaged with their children in viewing and experiencing our movies and TV shows, our theme parks and resorts, or our games and online platforms. Throughout our entertainment offerings, we provide forums and content that both value and respect children and give adults a point of connection to the children in their lives.

Target

On Track

Build world-class console experiences for gaming and Disney enthusiasts that receive no higher than a “T” rating based on the standards of ESRB (Entertainment Software Ratings Board) and PEGI (Pan European Game Information)



The Entertainment Software Rating Board (ESRB) and Pan European Game Information (PEGI) ratings are designed to provide consumers, especially parents, with concise, impartial guidance about the age-appropriateness and content of video games so that they can make informed purchase decisions about the games they deem suitable for their children and families. The ESRB rating system is voluntary, although most games that are sold at retail in the U.S. and Canada include this rating. The ESRB ratings scale is: Early Childhood, Everyone, Everyone 10+, Teen, Mature, and Adults Only.

PEGI is supported by the major console manufacturers, including Sony, Microsoft, and Nintendo, as well as by publishers and developers of interactive games throughout Europe. The PEGI ratings scale is segmented by the following ages: 3, 7, 12, 16, and 18.

We continue to meet this target in 2012. All console products being developed meet the proposed target and strive to engage kids, families and Disney gaming enthusiasts with rich interactive experiences that are age-appropriate and comply with the standards of ESRB and PEGI. In 2012, we **did not receive any rating above a “T” (or its PEGI equivalent)** on any of our console products from either rating board.

Goal

Develop marketing for kids that focuses on the positive attributes of our entertainment experiences in a respectful and appropriate manner

Disney maintains internal marketing guidelines that apply to entertainment platforms that target children. These guidelines cover children's cognitive and emotional maturity and susceptibility to influence, respect for the parent/child relationship, and child safety and privacy.

Target**On Track**

Maintain advertising and marketing guidelines for all media outlets that target children 12 and under



Our guidelines include standards indicating that advertising to children must not be deceptive, inappropriate, unfair or exploitative in any way. We pay special attention to younger children so as not to take advantage of their relative cognitive or emotional maturity. To manage the implementation of these standards, Disney maintains a dedicated staff of professionals who review all kids' programming before airing, including commercial content for our kids' television and radio networks.

Disney continues to maintain comprehensive internal standards for responsible marketing to children. In 2012, we reviewed these guidelines to ensure that they are in line with best practices and fully compliant with all regulations and company commitments.



Disney's iconic characters, creativity, and family entertainment platforms, including Disney Junior's "Doc McStuffins," offer a unique position from which Disney can help make nutritious eating and physical activity fun.

Goal

Promote safety for kids

Child and family safety are of utmost importance in all of Disney's entertainment environments, including theme parks, theaters, playrooms, television, and online. We take extra care to provide kids and parents with the information and tools they need to keep safety in mind.

For more information, visit the [Disney online safety for parents](#) and [Disney online safety for kids](#) websites.

Target

On Track

Continue to integrate Internet safety initiatives across all Disney Interactive Platforms and Products



Disney Interactive, the interactive web-based and gaming segment for The Walt Disney Company, believes in "Online Safety by Design" as a premise for the development and execution of our Internet, console, and mobile products. Through these multiple platforms, Disney Interactive wants to engage children, teens, parents, adults, and teachers in understanding their role in ensuring a safe Internet experience for children.

Disney Interactive has integrated Online Safety by Design into existing games, such as Club Penguin, and into developing environments, such as mobile products. Disney Interactive continues to develop proprietary online chat applications, which are used in our interactive games. For example, in Club Penguin, children can engage in filtered and monitored social chat with other children globally, without sharing any personal information or being exposed to inappropriate language, chat, or behavior. Disney Interactive combines technology with hundreds of human moderators who scour the games anonymously to ensure that children are kept safe and have a positive experience.

Furthermore, Disney Interactive has implemented key online safety messaging and age-appropriate practices into its product registration systems. This registration system allows children to register without providing any personal information. We also provide multiple avenues for parents and caregivers to be engaged with the child's online experience. Disney Interactive has designed specific methods to inform and provide knowledge to parents and caregivers so they are aware of the online risks, ways to mitigate those risks, and methods to keep an open dialogue with their children regarding online safety. These include specific applications directed to parents, use of social media such as Facebook and Twitter, and newsletters and informative parental web pages designed to help parents gain online safety information.

Finally, in addition to Disney Interactive efforts, Disney Channels Worldwide developed a proactive, far-reaching [campaign](#) that encouraged kids and families to take a stand against cyberbullying. Common Sense Media teamed with Disney Friends for Change to create Public Service Announcements (PSAs) geared towards kids age 6-14 and their families, each featuring the stars of Disney Channel and Disney XD hit series. The PSAs were presented multiple times per day beginning in April 2012 on Disney Channel, Disney XD and Disney.com. The messages were developed under the guidance of Common Sense Media, an independent nonprofit organization which helps parents and teachers manage the media and technology in kids' lives.

Target

Completed

By 2012, support Internet safety programs through our external partnerships that will train over 100,000 children, parents, and teachers globally



As a leading company in family entertainment globally, Disney works to support the safety of children online and to inform the adults who care for them with timely information about ensuring their safety.

Disney recognizes that children, teens, and young adults are faced with living in a new and ever-changing online world. We also understand that parents, guardians, and educators together also face challenges in understanding how to protect young people in this environment. Disney has chosen to reach these groups by directly supporting many different global online safety nonprofit organizations that facilitate and deliver online safety education, information, and discussions.

In 2012, Disney financially supported online safety organizations, globally reaching young people, parents, other caregivers and educators. These efforts provided training and information sessions through web-based and in-person seminars, written documentation and specific websites and safety-related web pages. Through Disney's support, **well over 100,000 individuals** were trained on the importance of online safety, how to mitigate risks, and manage discussions with young people.

Goal

Create age-appropriate entertainment experiences for kids

While Disney is known for the kind of entertainment that families of all ages can enjoy together, we also create entertainment experiences tailored for different age groups. We serve the needs of children across childhood, with different offerings for different age groups. This target is just one example of how Disney is working to ensure age-appropriate entertainment experiences for kids.

Target

On Track

Continue to implement our policy of zero instances of cigarette smoking¹⁰ depictions in U.S. Disney-branded films



Disney is committed to not depicting cigarette smoking in movies marketed to youth. Our [policy](#) prohibits all depictions of cigarette smoking in U.S. Disney-branded films. Disney also discourages depictions of cigarette smoking in movies for which Disney is a producing or distribution partner.

Disney continues to be a leader among filmmakers in limiting the depiction of cigarette smoking in films marketed to youth. There were **zero depictions of cigarette smoking in the 2012 slate of Disney-branded films** produced in the United States.

¹⁰ The target language was updated to focus on cigarette smoking in order to align the target with our policy.

Goal

Reflect a diversity of cultures and backgrounds in our entertainment experiences for kids and families

Disney is committed to appealing to broad audiences and reflecting the diversity and multiculturalism of our audiences and the world. We believe that diversity of content is integral for the growth and viability of Disney, and that it allows us to engage and remain relevant to a broader community of viewers.

Target

On Track

All North American Disney Stores will host in-store events that entertain and educate kids about different cultures, backgrounds, behaviors, or skills to expand their awareness of and appreciation of the world



The Disney Stores are dedicated to providing experiences that not only entertain but also broaden children's awareness, understanding, and respect of different cultures to celebrate the diversity of the world.

In June 2012, Disney Store hosted a two-week event engaging children in learning about the culture and history of Scotland. Cast members played a giant board game with children to teach them about traditional Scottish dishes, musical heritage, and geographic landmarks of the Scottish Highlands. This event coincided with the release of *Brave*.

Target

On Track

Walt Disney Parks and Resorts will expand¹¹ its external partnerships and related activities to ensure cultural relevancy worldwide



Walt Disney Parks and Resorts continue to expand globally, and our audiences around the world grow increasingly diverse. We feel it is critical that guests see themselves in our product, and that we tell our stories in ways that resonate with them.

Walt Disney Parks and Resorts, through Walt Disney Imagineering (WDI), works with local scholars and cultural experts at our locations around the world to ensure cultural relevancy in everything from food to color palettes to design motifs to attraction development.

In order to understand and reflect the diverse world around us, Walt Disney Imagineering consistently introduces diverse and unique speakers and entertainment offerings, from the internally organized innovation conference ID8 and ethnic musical groups to meeting with key members of the autistic community and deaf artists. These efforts allow Imagineers to build their experience and knowledge base. WDI representatives also contribute to the dialogue by speaking at events such as The Walt Disney Company's Global Diversity and Inclusion Council as well as with external organizations (such as the Themed Entertainment Association, Spellman College, and other groups that champion the advancement of diverse thinking).

In order to put these learnings into action, WDI has also undergone organizational assessment and action planning and has worked with consultants to best understand our current practices on how diverse thinking is fostered and how we can improve and institutionalize these practices.

¹¹ Since publication in March 2012, we updated "increase" to "expand" so that it encompasses efforts to enhance or expand upon existing partnerships rather than simply increase the number of our external partners.

Goal

Promote leading policies on product and guest experience safety

The safety of products bearing Disney brands, characters and other intellectual property is of crucial concern to Disney. Equally important, safety guides our operational decisions to ensure a safe and enjoyable experience at our theme parks and resorts worldwide. Since we believe safety is everyone's business, we collaborate and share our learnings so we can all benefit.

For more information on product and guest safety see the following websites: [Product Safety](#), [Safety and Security](#), WDP&R's [Wild About Safety](#), and the WDP&R [Report on Safety](#).

Target

On Track

By 2013, continue to work with our vendors, suppliers, and licensees to evaluate the chemicals and substances in Disney-branded products¹²



Product safety is important to Disney. To that end, Disney monitors scientific studies and regulatory trends and meets with stakeholders, including regulatory authorities, vendors, suppliers, NGOs, and consumer advocacy groups, to stay informed about substances that are or are proposed to be regulated. In 2013, we will continue to work with our vendors, suppliers, and licensees to evaluate the chemicals and substances in Disney-branded products in an effort to provide safe products and experiences for our customers.

Target

On Track

By 2012, improve upon existing safety protocols by implementing a global, integrated product management system to track food quality and safety compliance of existing licensee base, and by 2015, validate all licensees' compliance with internationally-recognized safety standards consistent with Disney requirements



Disney Consumer Products requires all licensees to comply with Global Food Safety Standards for all Disney-branded food products. Quality and safety must be designed and built into products at every step of the supply chain and all applicable information made readily available. An integrated product management system streamlines all relevant quality and safety information into a central location and provides an effective way to ensure preparedness and responsiveness globally.

In 2012, we rolled out a global product management system to all regions around the world. Additionally, we are on track to validate all licensees' compliance by 2015.

¹² We have modified this target to better reflect our ongoing efforts to proactively evaluate and manage the chemicals and substances in Disney-branded products.

Target

On Track

Walt Disney Parks and Resorts will increase availability of Disney-licensed technology and expertise on safety and accessibility for third-party use



In order to be a leader in accessibility and safety, it is important to share expertise and best practices both internally and with external organizations. Disney can do this by:

- Making Disney accessibility and safety expertise and patented technology available for industry and third-party use.
- Sharing our safety expertise through continued participation on industry boards and committees to advance standards and policies related to the safety of attractions and facilities.

Accessibility technology utilizing Disney's licensed and patented technology has been installed in **17 national parks, museums and sports venues across North America**. In addition, we have launched the CHEFS auditing system (an electronic tracking system that analyzes food safety hazards) at a pilot location restaurant at the Walt Disney World Resort, Chefs de France, as well as two well-known restaurant chains.



Chef Gary teaches Mickey how to make a nutritious breakfast at the announcement of Disney's new food advertising standards in Washington, D.C.

Environmental Stewardship

We are working to reduce our environmental impact through projects large and small. From reducing our electricity consumption to investing in reforestation around the world, we are using resources wisely and protecting the planet for future generations.

Current scientific conclusions indicate that reductions in greenhouse gas emissions are required to avert accelerated climate change. Scarcity of natural resources and threats to ecosystems and biodiversity are serious environmental issues. Recent events, from Hurricane Sandy to the Midwestern drought of 2012 to the decline in summer arctic sea ice extent, all illustrate the consequences and devastating impacts of climate change. These challenges demand fundamental changes in the way society, including business, uses natural resources.

In 2009, we announced long-term goals to reduce our environmental impact and inspire our employees, business associates and consumers to take action for the environment.

These goals are:

- Achieve zero net direct greenhouse gas emissions
- Reduce indirect greenhouse gas emissions from electricity consumption
- Send zero waste to landfills
- Have a net positive impact on ecosystems
- Minimize water use
- Minimize product footprint

We also published targets in 2009 to help us track performance against these goals. In 2012, we introduced additional targets covering new areas. As many of our environmental targets expire in 2012 or 2013, we are currently in the process of developing new medium-term targets in support of our long-term goals. We will publish these new targets in our 2013 citizenship performance summary.

Performance Summary

Key:  Completed  On Track  Getting Started  Did Not Achieve

Target

Status

Summary

By 2012, achieve 50% of our long-term goal of zero net direct greenhouse gas emissions through a combination of reductions, efficiencies, and offsets



In 2012, we achieved 50% of our long-term goal of zero net direct greenhouse gas emissions.

By 2013, reduce electricity consumption of existing assets by 10% compared to 2006 baseline in existing assets



Electricity consumption in 2012 was 10.04% below the 2006 baseline in existing assets.

Pursue renewable sources of electricity to reduce emissions from electricity



We continue to research renewables and utilize when possible.

By 2013, decrease Parks and Resorts' annual solid waste to landfill to 50% of 2006 baseline level



In 2012, Walt Disney Parks and Resorts sent to landfill 147,000 tons (53.9% of the 2006 baseline level) due to operational growth throughout the segment.

By 2013, divert at least 80% of waste from landfill at the Summer X Games and 90% of waste from landfill at the ESPYs



In 2012, we were able to achieve 90% diversion from the X Games and 85% diversion from the ESPYs.

By 2013, apply our integrated approach to sustainable design, engineering, and habitat protection for a pilot construction project



In 2012, a methodology was identified and tested on four recently completed projects. The methodology is being studied internally and will be further refined through peer review.

 Completed
  On Track
  Getting Started
  Did Not Achieve

Target

Status

Summary

Between 2009 and 2013, annually increase the level of support to nonprofit organizations from Disney Worldwide Conservation Fund (DWCF)



In 2012, the DWCF distributed a total of more than \$4 million through its various programs, a 55% increase over the previous year.

By 2012, Water Conservation Plans will be adopted to identify areas for water-conservation improvement at all major locations



The Water Conservation Plans identify current best management practices and serve as a tool for businesses to assess operations.

By 2014, demonstrate continued improvement in environmental performance for strategic suppliers in plush, apparel, accessories and toys



In 2012, we expanded the reach and scope of our Environmental Responsibility Index survey for strategic suppliers.

By 2012, Disney Stores North America will expand their commitment to organic cotton by making all Disney Baby apparel and sleepwear from 100% organic cotton



All baby apparel and sleepwear sold in North American Disney stores are made from 100% organic cotton.

New Target: By 2012, communicate new paper policy and expectations to all suppliers, vendors, and licensees



Third-party vendors and licensees around the globe were informed of the new policy.

New Target: By 2012, no fiber from unwanted sources (e.g., non-FSC certified fiber from high-risk regions) will be used by the North American Disney Book Group, Hyperion, and ESPN Magazine¹³



Third-party validators confirmed that no fiber from unwanted sources was used by the North American Disney Book Group, Hyperion, and ESPN Magazine.

New Target: By 2013, design and develop a prioritized paper tracking and verification process and system for Phase 1¹⁴ that includes: (1) annual supplier source origin surveys, (2) annual random audits, (3) annual random fiber tests, and (4) verification of the sources of supplies from high-risk areas



We are working on developing a system to capture supply chain information related to paper use, fiber origins, recycled content, and other data points.

¹³ We have modified this target to better reflect our published paper policy.

¹⁴ See page 68 for more detail on Phases 1 and 2.

 Completed
  On Track
  Getting Started
  Did Not Achieve

Target

Status

Summary

New Target: By 2014, implement the paper tracking and verification process and system for Phase 1 to support the continued reduction of unwanted sources and prioritizing reduction from high-risk regions¹⁵



This work will start once the system is in place.

New Target: By 2015, begin reporting paper use and sources for Phase 1 in order to inform and set new quantifiable targets in 2016 for eliminating unwanted sources and maximizing recycled content and wood fiber sourced from forestry operations certified by the Forest Stewardship Council or an equivalent forest certification scheme



This work will start once we receive the supplier survey results.

New Target: By 2013, incorporate paper policy principles into the design of paper products and product packaging



In 2013, steps will be taken to incorporate principles into the design of paper products and packaging.

New Target: By 2013, in collaboration with strategic suppliers and licensees, conduct a pilot study of a tracking and verification process that includes: (1) annual supplier source origin surveys and (2) annual random fiber tests. If fiber from unwanted sources is found as a result of the pilot study, coordinate with suppliers and/or licensees to identify how the fiber entered the supply chain and to determine feasible steps to eliminate it



We are on track to complete this target by the end of 2013. We plan to utilize the services of a third-party validator to conduct the tracking and verification process pilot study.

New Target: By 2013, for paper we directly specify, begin requesting recycled and FSC-certified paper and paper products processed without chlorine or chlorine compounds and select these whenever they are available at a reasonable cost and quality



We are on track to implement a new sourcing process to request more paper that meets our new policy.



¹⁵ We have modified this target to better reflect our published paper policy.

Performance Detail

Goals

- Achieve zero net direct greenhouse gas emissions
- Reduce indirect greenhouse gas emissions from electricity consumption

For more information on our climate program, see [Environmental Stewardship](#) on our website.

Target	Completed
By 2012, achieve 50% of our long-term goal of zero net direct greenhouse gas emissions through a combination of reductions, efficiencies, and offsets	
Target	On Track
By 2013, reduce electricity consumption of existing assets by 10% compared to 2006 baseline in existing assets	

Our approach to mitigating greenhouse gas emissions includes long-term goals for both direct and indirect emissions. While we have different medium-term targets for these two types of emissions, they both drive programs that reduce greenhouse gas emissions. Our strategy for meeting these goals follows the hierarchy of avoiding emissions, reducing emissions through efficiencies, replacing high-carbon fuels with low-carbon alternatives, and then using high-quality offsets for our remaining direct emissions.

Disney has pursued energy efficiency upgrades and programs for a long time. Energy efficiency projects offer opportunities for financial savings in addition to environmental benefits. In 2008, we established a corporate goal of reducing electricity consumption in existing assets by 10% by 2013 over a 2006 baseline. This target has driven the installation of energy upgrades and the development of energy efficiency policies and programs. As a result, Disney assets, from 2007 to 2012¹⁶ have saved a **cumulative total of 647 million kilowatt-hours** relative to 2006. In 2012 we **decreased electricity use by 10.04%** compared to 2006. The bulk of these savings, about 521 million kilowatt-hours, occurred after the corporate goal was published in 2009. These cumulative savings are greater than the combined annual electricity consumption of Disneyland Resort in California, Disneyland Paris, and Hong Kong Disneyland.

In terms of indirect emissions, from 2007 to 2012, our energy efficiency portfolio of projects resulted in cumulative **savings of 280,000 metric tons of carbon dioxide equivalents** relative to 2006¹⁷, or **226,000 metric tons** over 2009 to 2012. These savings were achieved through a variety of projects at various locations spanning resorts, attractions and office buildings at various assets around the world. For example, variable frequency drives were

¹⁶ Assets include those in existence in 2006, excluding new growth.

installed on air handling units and attraction pumping systems at multiple locations throughout our theme parks. Thermostat and logic modifications were made at the Pop Century Resort and All Star Resort at Walt Disney World, the Sequoia Resort at Disneyland Paris, and Disneyland Hotel at Disneyland. New heat pumps were installed at the Hollywood Hotel in Hong Kong Disneyland, and the compressor plants at Disneyland were automated to drive efficiency in operation. Lighting retrofits were made at many theme park and resort properties converting hotel, attraction, facility, and show lighting to more efficient high-intensity discharge lamps, CFL, and LED. Energy management system upgrades occurred at our U.S. theme parks and our offices in Burbank and London. Our data center facilities have also demonstrated energy savings through enhancements in hardware technology such as blade servers and virtual servers, as well as by implementing airflow management strategies to improve the efficiency and effectiveness of data center air conditioning systems.



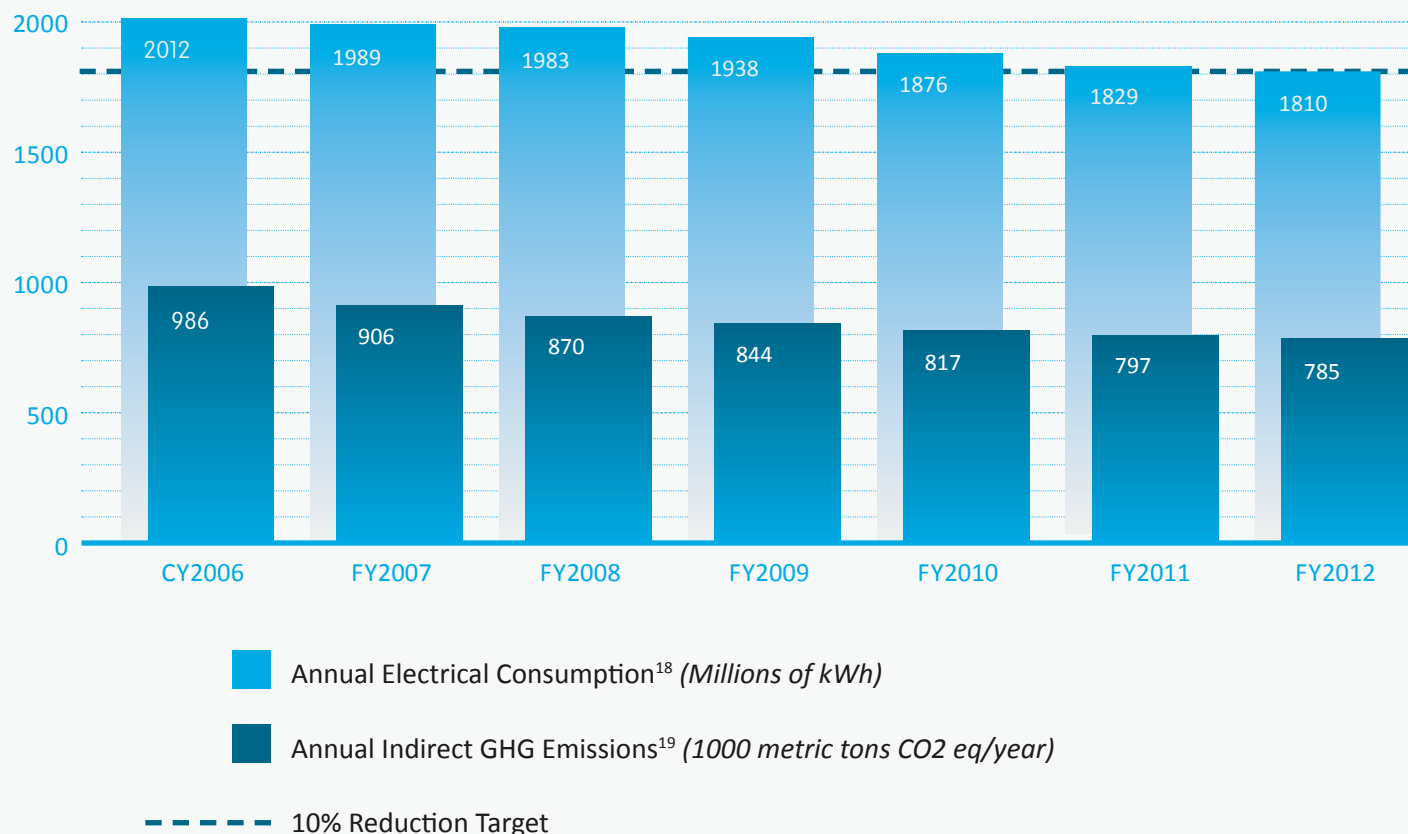
Our new parking structure in Glendale, California, was installed with a 460kW solar system that provides 12% of the energy use for the new building and its parking structure.

Our facilities teams will continue to pursue opportunities to maximize the financial and environmental benefits of such projects. Chart 3 shows the pattern of electricity consumption from 2006 to 2012. While the efficiency target applies to existing assets, new assets in the Company now follow a sustainable design process to incorporate cost-effective new technologies into building design. We have incorporated an environmental review step into the process for authorizing capital for new projects to ensure that efficiency measures are adequately evaluated and included from the beginning. As an example, for our Glendale Creative Campus expansion completed in 2012, sustainable measures have reduced building energy demand by more than 30% below that of a typical office. Also, more than 12% of energy used by the campus expansion is provided by a photovoltaic system on top of the parking garage.

¹⁷ When calculating indirect greenhouse gas emissions, it is important to note that electricity grid emission factors fluctuate from year to year. We have followed guidance provided by the World Resources Institute's GHG Protocol in calculating annual indirect emissions, which resulted in a cumulative reduction of 898,787 MT CO₂eq in indirect emissions since 2006. However, a portion of these savings is a result of a decreased emission factor when calculating indirect emissions, rather than as a result of operational changes. In order to more accurately reflect savings as a result of our activities, when calculating cumulative benefits (or in comparing year-over-year indirect emissions), we selected one consistent average grid emission factor. Over 2006 to 2012, the corporate average grid factor varied from 0.49 to 0.43 tons CO₂eq/Mwhr. For the 2007 to 2012 emission benefit calculations, we used the same minimum emission factor of 0.43 tons CO₂eq/Mwhr, resulting in a cumulative savings of 280,000 MT CO₂eq.

Chart 3 Indirect GHG Emissions and Electricity Consumption

Assets existing as of 2006, leased spaces excluded



¹⁸ Electricity data represent consumption of purchased electricity and purchased chilled water, in those assets existing as of 2006 baseline, per the electricity target. Electricity consumption in assets added during 2008, 2009, 2010, 2011, and 2012 were 27.5, 45.6, 73.8, 96.4, and 131.7 million kilowatt hours, respectively. Electricity consumption in leased offices is not included in these totals, as Disney does not control the management of these spaces. Estimated electricity consumption in leased offices, based on a multiple of square feet occupied and a generic factor, was 137 million kilowatt hours in 2006 and 92 million kilowatt hours in 2012.

¹⁹ Indirect GHG emissions calculated according to the WRI GHG Protocol, using the appropriate annual grid emission factors. Data for previous years has been revised since the 2011 Corporate Citizenship Interim Report, to reflect corrections made as a result of internal reviews. Data in 2006 is calendar year. Starting in 2007, data are for fiscal year.

Disney's direct emissions decreased slightly from 2006 to 2010, and then increased in 2011 and 2012. This was an expected increase, due to the addition of two new cruise ships, Disney Dream and Disney Fantasy. The two new ships have a number of state-of-the-art energy savings features built into them, as described here. Because of these energy savings features, the new ships use only slightly more fuel per voyage than the existing ships, even though they carry 50% more passengers.

Disney Cruise Line Environmental Initiatives

- An innovative, low-resistance, 100% non-toxic hull coating that reduces drag and increases fuel efficiency
- Smart technology that self-adjusts temperatures and lighting throughout the ship
- Cold ironing capabilities, to utilize shore power where available (i.e., at the ports of Seattle, Alaska, and Los Angeles)
- Lighter building materials, such as fiber optic cables in place of traditional copper cabling
- Improved hydrodynamics to minimize fuel usage
- State-of-the-art gearless elevator hoisting technology that is 40% more efficient than standard elevators
- Overhead winch motors, used to raise and lower scenery for Disney's shows, generate electricity during the lowering process which is fed back into the ship power grid
- Heat recovery systems to maximize energy use throughout the ship
- Highly efficient insulation and heat reflective paint reduces the need for heating, ventilation, and cooling systems by 25%
- Extensive use of LED lighting
- Route optimization software that helps the captain select the most energy-efficient route

With the addition of the two new ships, the direct emissions footprint increased significantly, as illustrated in Chart 4. In 2008 and 2009, when the emission targets were being devised, the two new ships were already under construction, and we were aware that the emissions were set to increase. Our plan to meet the target of achieving 50% of the long-term goal of zero net direct greenhouse gas emissions involved the following:

(a) Place an internal price on carbon to encourage environmental innovation

Each of our businesses is charged for its proportion of the Company's overall direct emissions footprint. The higher the carbon footprint, the more they pay. We have built this into our capital planning process as well, so businesses have to take the price of carbon into account while planning new projects. The additional operational cost has started to incentivize businesses to seek methods to reduce their impact. While a technological breakthrough has not yet occurred in the cruise business, this additional cost has accelerated research for such solutions. Our cruise business has tasked our Imagineers in research and development with the task of identifying cleaner fuel options.

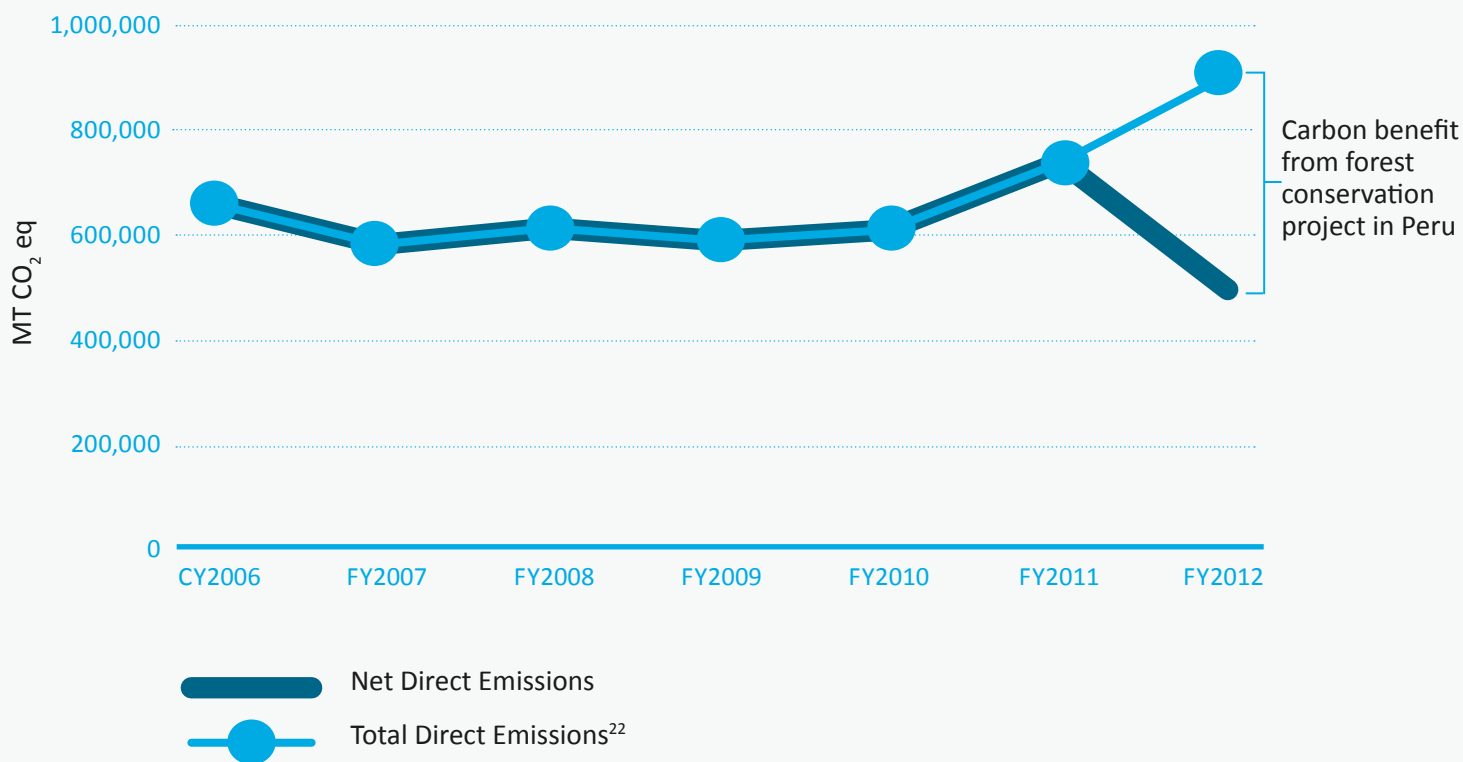
(b) Initiate forestry projects to sequester carbon dioxide, or purchase offsets from industrial projects

Since 2009, we have initiated a variety of forestry projects, in collaboration with trusted conservation partners, such as Conservation International and The Nature Conservancy, to reduce and sequester carbon dioxide. In addition, we have purchased a smaller percentage of carbon offsets from other projects (i.e., energy efficiency, livestock gas capture, etc.).

Investing in forests is a natural solution for sequestering carbon efficiently and cost-effectively while providing many other valuable benefits. Beyond climate benefits and habitat conservation, the forest provides other critical ecosystem services such as regulating water and preventing soil erosion. Forestry projects are one of the most effective ways to combat climate change, improve the livelihood of local communities and protect threatened biodiversity.

In 2012, our direct greenhouse gas emissions footprint was **867,353 metric tons of carbon dioxide equivalents (CO₂eq)**. To meet our 2012 direct greenhouse gas emissions target, we “retired” **433,677 metric tons CO₂eq** in carbon credits, generated by a Conservation International avoided deforestation project Disney helped initiate in Peru. The project has been independently assessed by the world's leading standards, with the carbon reductions certified through the Verified Carbon Standard, and the social and environmental co-benefits certified through the Climate, Community, and Biodiversity Standard.²⁰

²⁰ Project documents can be viewed on the Verified Carbon Standard project [online database](#).

Chart 4 Direct Emissions²¹

²¹ Data for previous years has been revised since the 2011 Corporate Citizenship Interim Report, to reflect corrections made as a result of internal reviews. Data in 2006 is calendar year. Starting in 2007, data is for fiscal year.

²² Direct emissions for Disney owned and operated facilities (office spaces, stores, parks and resorts, stations, and Disney Cruise Line) are measured and calculated according to the principles in the World Resources Institute's (WRI) and the World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol's "A Corporate Accounting and Reporting Standard, 2004 revised edition" (GHG Protocol). Productions (including TV, cable, movies, ESPN, and Theatricals) are calculated using a combination of actual data when available and estimates when necessary.

Peru Alto Mayo Conservation Initiative

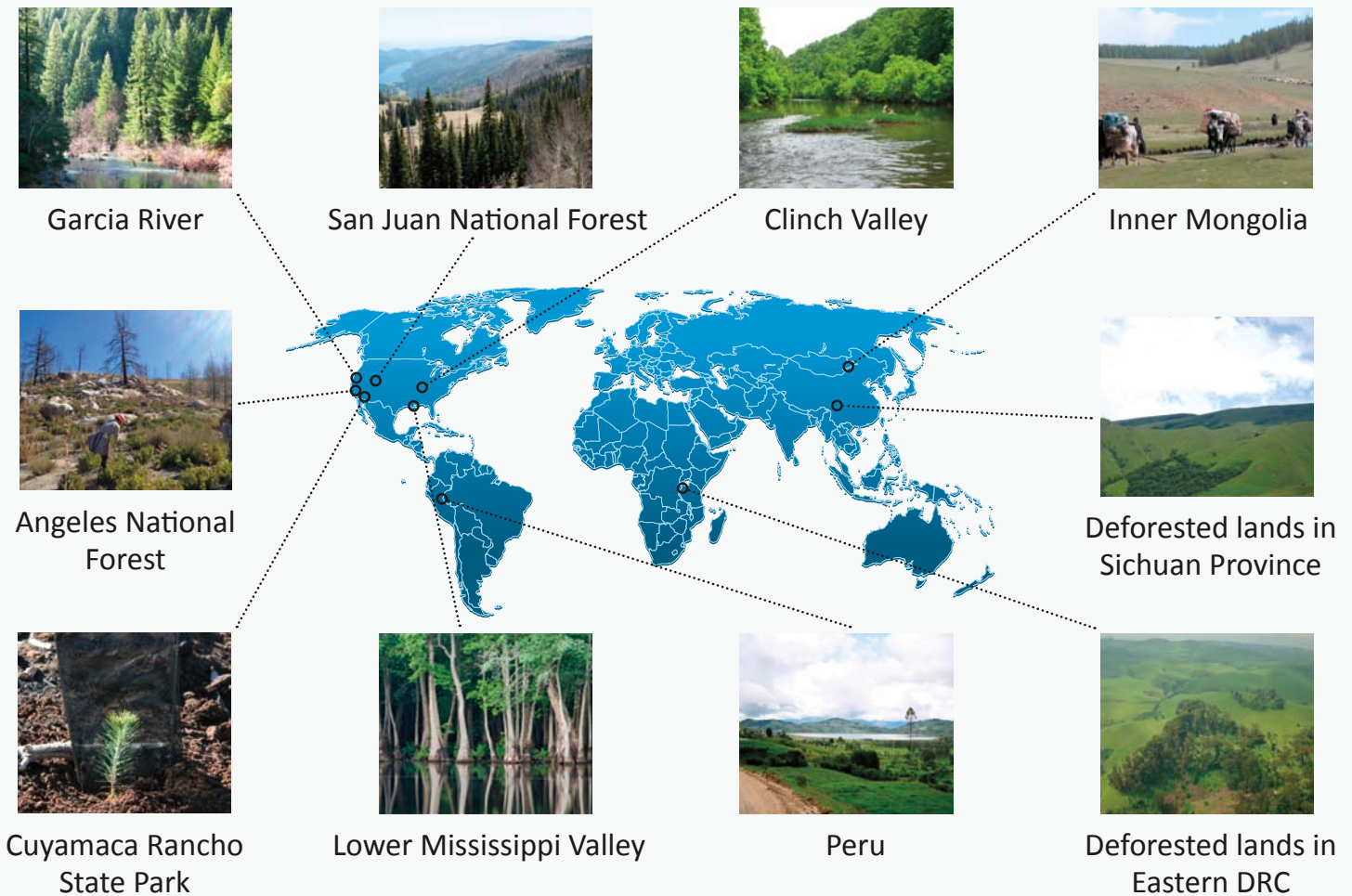
The project is located in the San Martin region of northern Peru within the Alto Mayo Protected Forest. Although the forest has protected status, the area has faced high rates of deforestation due to increasing pressures from illegal logging, migration of people into the region and unsustainable farming practices. To halt deforestation, Conservation International (CI) worked with local partners and government to craft conservation agreements with communities living in and around the forest. In exchange for participating in the conservation programs, communities received efficient cook stoves and support to increase the efficiency of farming practices. Educational programs were developed to help the area's youth understand the significant local and global impacts of deforestation. In addition, by establishing new conservation-based agricultural practices and enhancing market access for their shade-grown coffee, farmers are seeing the economic value of forest protection. Finally, beyond the climate, livelihood, and habitat conservation benefits, the project is sustaining other critical ecosystems for local communities, including regulating water and preventing soil erosion.

In addition to forest conservation in Peru, we have initiated or supported a variety of other forest carbon projects, including [improved forest management](#) and [reforestation projects](#). These projects will continue to generate quantifiable carbon benefits in the coming years. Chart 5 shows the location of the projects we have initiated or supported since 2009.

Also in 2012, Disney joined other leading companies to make forestry and ecosystem [commitments at the Rio + 20 conference](#). This further reinforces Disney's commitment to nature and our belief that a healthy environment is essential to the health and well-being of children and families around the world.

Disney's forest carbon work supplements Disney's tradition of nature conservation through [Disney's Worldwide Conservation Fund](#).

Chart 5 Disney Forest Carbon Projects



Target

Pursue renewable sources of electricity to reduce emissions from electricity

On Track



Disney's diverse business operations require that renewable energy opportunities be evaluated based on many criteria, such as geography, cost, operational constraints, and regional incentives. Discussions with internal partners are underway to identify practical and cost-effective approaches to increasing the amount of renewables in our energy mix.

We continually research opportunities to include renewable and alternative energy sources in new projects. In 2012, our new parking structure in Glendale, California, was installed with a 460kW solar system that provides **12% of the energy use** for the new building and its parking structure. It will generate approximately 750,000 kWh annually.

Goal

Send zero waste to landfills

We have a long-term vision of achieving zero waste. Meeting that goal will require minimizing waste, increasing and improving recycling and other disposal mitigation programs, and sourcing high-recycled content and highly recyclable products. We know we cannot meet this goal alone, so we will continue to partner with, engage, and educate our guests and consumers along our journey to achieving zero waste.

Target

On Track

By 2013, decrease Parks and Resorts' annual solid waste to landfill to 50% of 2006 baseline level



The 2006 baseline level refers to the total waste generated in 2006. In practical terms, this means decreasing our waste sent to landfill to levels below 136,000 tons per year. From 2009 through 2011, WDP&R sent to landfill less than 136,000 tons per year. In 2012, WDP&R sent 147,000 tons to landfill (53.9% of the 2006 baseline level) due to operational growth throughout the segment, particularly at Disney Cruise Line, Hong Kong Disneyland, and Disney California Adventure.

WDP&R continues to divert a significant amount of waste from landfills. In 2012, WDP&R achieved a **53.4% diversion rate** through extensive recycling and donation programs, as well as by utilizing waste-to-energy facilities and innovative waste minimization programs. Examples include:

- Throughout the Disney California Expansion project at the Disneyland Resort, many efforts were taken to minimize waste sent to landfills and maximize charitable donations. For example, Lightning McQueen Power Wheel cars used in a promotional video for Cars Land were donated to local nonprofits that serve children and families. Walt Disney World Resort diverted material from landfills during five recent multi-room refurbishments at resort hotels. The refurbishments achieved “zero waste” status as defined by the Environmental Protection Agency and the Zero Waste Alliance.
- At Disneyland Paris, food waste sorting and collection began in 2009 and was extended in 2012 to all major restaurants throughout the Resort. The diverted food waste is then used to generate electricity.
- Hong Kong Disneyland (HKDL) recently launched a plastic bag recycling program to reuse the waste plastic bags generated from our daily operations. Unwanted plastic bags that are collected are recycled and reused for the production of new merchandise shopping bags. An environmental message has been printed on the bags to inspire our guests to support reuse and recycling.

Target

On Track

By 2013, divert at least 80% of waste from landfill at the Summer X Games and 90% of waste from landfill at the ESPYs



The Summer X Games and ESPYs provide great venues for us to demonstrate our commitment to the environment, and we are focused on minimizing the waste generated from these major sporting events.

We made progress in 2012 while achieving this target. By diverting and separating materials, we were able to achieve **90% diversion from the X Games** and **85% diversion from the ESPYs**. The biggest challenges we faced were getting people to properly divert at the source. We felt our signage was clear. Our next steps are to have a bigger green team to stand by the waste bins to help our guests make the right choice. This will save us time separating after the events.



X Games waste stations and metal signage make it easy for fans to make the right choice.

Goal

Have a net positive impact on ecosystems

Healthy ecosystems provide many benefits to Disney and the communities in which we work and live. We are focused on implementing an ecosystem management strategy designed to deliver a net positive impact on ecosystems.

Target

On Track

By 2013, apply our integrated approach to sustainable design, engineering, and habitat protection for a pilot construction project



As part of our ecosystem management strategy, we are developing an integrated approach to designing new construction projects. It starts with identifying ecosystem impacts during the design-review process of new building projects. Next, habitat and restoration solutions are developed to avoid, minimize, or mitigate those impacts. Finally, we evaluate a set of sustainable design solutions for potential implementation. We will continue to develop and evolve our Ecosystems Integrated Approach as more scientific research becomes available.

During 2012, we identified and tested an ecosystem evaluation methodology on four recently completed projects. The methodology is being studied internally, and will be further refined through peer review.

Target

On Track

Between 2009 and 2013, annually increase the level of support to nonprofit organizations from Disney Worldwide Conservation Fund



The Disney Worldwide Conservation Fund (DWCF), founded on Earth Day in 1995, provides financial support for the study of wildlife, the protection of habitats, and the development of community conservation and education programs in critical ecosystems around the world.

In 2012, the Disney Worldwide Conservation Fund distributed a total of **\$4,324,866** through its various programs, a **55% increase** over the amount granted in the previous year. Funds for the DWCF are provided through a combination of guest contributions made at select Walt Disney Parks and Resorts (WDP&R) locations, a percentage of the proceeds from specific WDP&R merchandise and guest programs, and Disney direct contributions as well as those related to special initiatives like the DisneyNature film campaigns. For more details on the programs funded by DWCF in 2012, please go to our citizenship [website](#).

Goal

Minimize water use

Disney recognizes the importance of water as a critical resource for our operations and the communities in which we operate. The purpose of our water goal is to ensure the sustainable use of water by Disney, now and into the future.

For more information on our efforts to minimize water use, see [Recycling Water at World of Color](#) on our citizenship website.

Target

Completed

By 2012, Water Conservation Plans will be adopted to identify areas for water-conservation improvement at all major locations



The Water Conservation Plans identify current best management practices and serve as a tool for businesses to assess operations for areas where the greatest impact can be made through efficiencies and conservation to minimize water consumption. Businesses strive to conserve and use water efficiently. In order to reduce our water consumption, we are utilizing efficient fixtures, performing regular audits, and focusing on alternative supplies either through reusing water or by utilizing non-freshwater sources.

The theme parks have been leading the way to minimize the consumption of this limited resource by seeking alternative non-freshwater supplies and methods to recharge local sources. For over a decade, Walt Disney World has been **using reclaimed water for 75%-80% of its irrigation needs**. Disneyland Paris is proactively creating an alternative water supply by working with local suppliers to treat its wastewater. The treated water can be used for irrigation, cleaning, and filling of waterways at Disneyland Paris, reducing the demand on freshwater supplies. Hong Kong Disneyland maintains all flushing with seawater. At Disneyland Resort, a Water Quality Master Plan is in place to manage storm water runoff; by reducing storm water runoff thereby increasing infiltration to recharge the groundwater basin. Methods include designing features such as vegetated swales and pervious material to promote infiltration.

Besides the theme parks, the majority of Disney's direct operations are office spaces. To minimize water consumption at these locations, our focus has been on efficient restrooms, reduction of water usage for irrigation, and improving water use in the cafeterias and kitchens. Examples of some of these practices include:

- Restrooms that feature low-flow plumbing fixtures such as faucet aerators.
- Irrigation approaches that utilize drip irrigation and flexible irrigation schedules based on weather conditions.
- Operational enhancements such as the replacement of cooling towers with new efficient models and the collection and reuse of condensate from air handlers for lower processes such as make-up water for cooling towers.
- Kitchens that feature the use of batch production in steam cooking and highly efficient pre-rinse spray valves in cleaning.

By evaluating current water consumption through a review of current efficiencies and practices, we can continue to develop water conservation measures that are meaningful and relevant to our operations now and in the future.

Goal

Minimize product footprint

In 2010, Disney developed a set of common approaches and targets to better measure our performance in minimizing our overall product footprint.

Target

On Track

By 2014, demonstrate continued improvement in environmental performance for strategic suppliers in plush, apparel, accessories, and toys



Our company-wide targets are focused on two areas: (1) sourcing raw materials, especially paper; and (2) holding our suppliers to a high standard of environmental responsibility.

Disney strives to work with suppliers that are committed to environmental responsibility and are able to demonstrate improvement in environmental performance. Our immediate focus is on products Disney sells directly to consumers through The Disney Stores and merchandise in our theme parks. Products produced by third-party licensees will be addressed in a second phase. We have selected the plush, apparel, accessories, and toy product categories to be tracked for improvement because they represent a significant share of Disney's product volume and involve many of our strategic suppliers.

In 2011, the Environmental Responsibility Index (ERI) survey was developed and sent to strategic suppliers²³ in North America for The Disney Stores (TDS) and Disney Theme Park Merchandise (DTPM). The ERI survey asks selected factories a variety of questions and utilizes a weighted scoring system. The scores allow Disney to summarize and benchmark the performance of operations in key environmental areas,²⁴ and to set a baseline for measuring future improvements. We communicated the results of the 2011 survey to suppliers in order to share ideas for reducing environmental impacts of operations and the supply chain.

In 2012, the Environmental Responsibility Index survey was sent to an expanded list of strategic suppliers for Disney Stores (in North America, Japan, and Europe) and Disney Theme Park Merchandise (Walt Disney World, Disneyland Resort, Disneyland Paris, and Hong Kong Disneyland). The total number of suppliers surveyed increased significantly, from 162 in 2011, to 321 total in 2012.²⁵

Key insights developed from the 2011 ERI survey and implemented in 2012 have enhanced the process and helped suppliers improve their environmental performance. For example, identifying and sharing best practices has been helpful to suppliers looking to reduce environmental impacts and achieve cost savings.

²³ "Strategic suppliers" are suppliers that represent the top 50% of the supplier base for the key product lines.

²⁴ Key environmental areas include raw materials, energy and climate, waste, water, governance and reporting, inspiration and education, and other.

²⁵ Total suppliers include TDS and DTPM, with some overlapping suppliers.

Target

Completed

By 2012, Disney Stores North America will expand their commitment to organic cotton by making all Disney Baby apparel and sleepwear from 100% organic cotton



The Disney Store is committed to decreasing the environmental impacts of the products they produce in a way that brings higher quality and value to our guests. While our graphic t-shirts are already made from 100% organic cotton, The Disney Store is continually looking for ways to expand its commitment to organic cotton through other apparel lines where possible.

In 2012, we launched DisneyBaby.com and opened our first-ever Disney Baby Store in Glendale, California. All of the baby apparel and sleepwear sold in the new Disney Baby Store and in North American Disney Stores are made from 100% organic cotton. Disney Store's commitment to organic cotton continues to grow with an expanded assortment of baby apparel and sleepwear made from 100% organic cotton for the 2012 holiday season.



From Club Penguin memberships to Marvel action figures, Disney Princess dolls, and beloved Disney movies, Disney hospital care packages help bring smiles and laughter to thousands of kids each year.

New Paper Targets

Throughout 2012, we developed guidelines for paper used in Disney's day-to-day business operations as well as in our consumer products and packaging. [Announced](#) in October 2012, our policy aims to:

- Minimize the consumption of paper
- Eliminate paper products containing irresponsibly harvested fiber, such as fiber from High Conservation Value Areas²⁶
- Maximize recycled content and fiber sourced from Forest Stewardship Council-certified forestry operations or equivalent

This policy continues Disney's commitment to responsible forest practices and conservation, and will be implemented in two phases. The first phase will focus on paper sourced directly by Disney or on behalf of Disney for use in Disney-branded products and packaging. The second phase will address paper sourced by the Company's independent licensees. Unlike the other targets, these new paper policy targets will operate on a calendar year time frame.

New Target

Completed

By 2012, communicate new paper policy and expectations to all suppliers, vendors, and licensees



Following the announcement of [Disney's Paper Sourcing and Use Policy](#) on October 11, 2012, business units began informing their third-party suppliers, vendors, and licensees of the intent behind the policy and providing them with information about the new supplier survey process to come. Communication methods varied by business and included emails and announcements posted on vendor and supplier accessible portals.

New Target

Completed

By 2012, no fiber from unwanted sources (e.g., non-FSC certified fiber from high-risk regions) will be used by the North American Disney Book Group, Hyperion, and ESPN Magazine²⁷



In 2011 and 2012, Disney used a third-party validator to conduct a survey and verify paper suppliers. Through the verification work conducted, and due to steps taken to manage the supply chain, the North American Disney Book Group, Hyperion, and ESPN Magazine met the target of not sourcing from unwanted sources.

²⁶ High Conservation Value Areas included areas of old growth and/or endangered forests.

²⁷ We have modified this target to better reflect our published paper policy.

New Target

On Track

By 2013, design and develop a prioritized paper tracking and verification process and system for Phase 1 that includes: (1) annual supplier source origin surveys, (2) annual random audits, (3) annual random fiber tests, and (4) verification of the sources of supplies from high-risk areas



Our initial focus will be to supplement existing measurement and reporting capacity with a new system to capture supply chain information related to paper use. This new system will provide invaluable data on fiber origins, recycled content, certified content (FSC and others), and use of paper products processed without chlorine or chlorine compounds. This data on paper use and sourcing will be critical to the development of future performance-based targets.

In 2012, we began the design and development of the new system to capture supply chain information related to paper use. This system will be implemented throughout 2013.

New Target

Getting Started

By 2014, implement the paper tracking and verification process and system for Phase 1 to support the continued reduction of unwanted sources and prioritizing reduction from high risk regions²⁸



Once the system is developed (see target above), we plan to begin implementation of the new process and database by surveying suppliers of key paper product categories in 2014.

New Target

Getting Started

By 2015, begin reporting paper use and sources for Phase 1 in order to inform and set new quantifiable targets in 2016 for eliminating unwanted sources and maximizing recycled content and wood fiber sourced from forestry operations certified by the Forest Stewardship Council or an equivalent forest certification scheme



In 2015, Disney plans to start accumulating data from supplier surveys on the origin of certain categories of paper supplies. This data is expected to present a picture of how much paper the Company uses operationally and in our products and packaging. By the end of 2015, we plan to begin reporting on paper use and analyzing the data to inform and set new quantifiable targets in 2016. The work scheduled for 2015 and 2016 will begin once supplier survey results are received.

²⁸ We have modified this target to better reflect our published paper policy.

New Target

Getting Started

By 2013, incorporate paper policy principles into the design of paper products and product packaging

A key objective of the new paper policy is to use paper responsibly which includes incorporating the paper policy principles into the design of paper products and product packaging. By the end of 2013, we plan to incorporate paper policy principles into the design of paper products and product packaging.

New Target

On Track

By 2013, in collaboration with strategic suppliers and licensees, conduct a pilot study of a tracking and verification process that includes: (1) annual supplier source origin surveys and (2) annual random fiber tests. If fiber from unwanted sources is found as a result of the pilot study, coordinate with suppliers and/or licensees to identify how the fiber entered the supply chain and to determine feasible steps to eliminate it

Another key objective of the policy is to eliminate the use of paper fiber from unwanted sources. Disney will initially prioritize regions of the world with poor forest management and governance, high rates of deforestation, and violations of the rights of forest-dependent communities.

During 2011 and 2012, Disney conducted a pilot study on paper used in Disney's day-to-day-business operations, Disney-branded consumer products, and packaging sourced by Disney. We also conducted an additional pilot with licensees across the globe.

Disney will collaborate with strategic suppliers and licensees to conduct annual pilot surveys and fiber tests. By the end of 2013, Disney plans to coordinate with suppliers and licensees to identify how any unwanted sources, if found, entered the supply chain and determine feasible steps to eliminate such sources.

New Target

On Track

By 2013, for paper we directly specify, begin requesting recycled and FSC-certified paper and paper products processed without chlorine or chlorine compounds and select these whenever they are available at a reasonable cost and quality

One finding from the initial pilot work conducted in 2011 and 2012 is that we may have the potential to increase the use of recycled and FSC-certified paper by simply asking suppliers for more of these options. Therefore, we will incorporate a new process in our sourcing steps to begin requesting these products and selecting them whenever they are available at a reasonable cost and quality.

By the end of 2013, we expect to have implemented a new sourcing process to request more recycled and FSC-certified paper and paper products processed without chlorine or chlorine compounds.

Ethical Conduct








We believe that acting in an ethical manner and with respect for human rights is core to being a good corporate citizen. We strive to conduct business with honesty, integrity, and in compliance with the law everywhere we operate. Through reporting and stakeholder engagement, we strive to increase transparency and accountability. And internally, educating and informing employees about the importance of citizenship, we are able to leverage the intelligence, integrity, and passion of our workforce towards achieving our greater citizenship goals.

The following are our goals for ethical conduct:

- Disclose relevant citizenship information in a timely manner
- Integrate citizenship into the day-to-day decision making of leadership
- Engage with our stakeholders on a regular basis
- Integrate citizenship into the responsibilities of every Disney employee
- Respect human rights within our operations

Performance Summary

Key:  Completed  On Track  Getting Started  Did Not Achieve

Target	Status	Summary
Publish annual updates on citizenship data		Starting with this 2012 Performance Summary, we will publish annual updates on our citizenship performance.
By 2012, complete a pre-assurance process on key citizenship content and data		We completed a pre-assurance process on key citizenship data.
By 2012, establish an executive-led, company-wide Citizenship Council		In 2012, we formed a Citizenship Council comprised of 18 senior executives from across the Company.
Continue to meet with a formal external stakeholder group that provides regular feedback on citizenship performance		We continued our relationship with Ceres and our stakeholder group provided feedback for this report.
Maintain the high level of understanding that employees have about the role they can play in helping Disney be a responsible company		In 2012 research, 93% of employees agreed with the statement “I understand the role that I can play in helping The Walt Disney Company be a responsible company.”
By 2013, all new hires will receive citizenship information during recruitment, orientation, or on-boarding ²⁹		Many Disney orientation programs include citizenship information. We are also testing more immersive citizenship experiences at orientations.
By 2012, assess the measurable steps Disney has taken to advance its Human Rights Policy Statement and determine if additional steps are necessary to achieve its ends		In 2012, we reviewed the areas of our business that are implicated by our Human Rights Policy Statement.

²⁹ Target language updated since March 2012. See performance detail for more information.

Performance Detail

Goal

Disclose relevant citizenship information in a timely manner

We are committed to public reporting, with ongoing updates to data and programs.

For access to past citizenship reports, see the [report archive](#) on our citizenship website.

Target

On Track

Publish annual updates on citizenship data



We view reporting as part of an ongoing dialogue with Disney stakeholders, employees, business associates, governmental and nongovernmental organizations, and consumers. Our past citizenship reports can be found in our [report archive](#).

To increase transparency and ensure the regular disclosure of information, we have begun reporting on our performance against our citizenship targets and goals on an annual basis. In addition to this performance summary, we are also sharing stakeholder-focused stories, data, and other information through our citizenship [website](#). This shift to more frequent reporting reflects our commitment to sharing timely and relevant information with our stakeholders.

Target

Completed

By 2012, complete a pre-assurance process on key citizenship content and data



Disney is committed to the continued accuracy and sophistication of our citizenship reporting. In 2012, Disney conducted a pre-assurance assessment to ensure the accuracy of citizenship data. We worked with an external third-party to develop a pre-assurance evaluation for seven citizenship data points published in the 2010 Citizenship Report with a goal of helping us understand any gaps, areas for improvement, and best practices. Many of these recommendations have been incorporated in the processes and controls that support the data points found in this report.

Goal

Integrate citizenship into the day-to-day decision making of leadership

Our executives and business unit leaders are committed to embedding citizenship into the daily decisions and actions of employees. Employees throughout Disney share their professional and personal time to guide our citizenship activities. Many employees participate in working groups on key issues or serve on Green Teams and VoluntEARS Leadership Councils.

Target

Completed

By 2012, establish an executive-led, company-wide Citizenship Council



Our corporate executives and business unit leaders are committed to the highest level of citizenship. Many executives serve on internal councils that advise the Company on citizenship. These councils oversee operations and strategy, build alignment among our businesses, and provide guidance to citizenship efforts.

In 2012, the Company formed the Disney Citizenship Council. This Council is comprised of **18 senior executives** from across the Company, representing all of our businesses. They also represent critical corporate functions such as brand management, public policy, and human resources. The Council's objectives are to align the Company around common citizenship priorities and leverage resources to build efficiencies across the enterprise.



ABC's "The View" co-hosts Sherri Shepherd and Elisabeth Hasselbeck help plant a learning garden in Bronx, NY.

Goal

Engage with our stakeholders on a regular basis

We believe that working with stakeholders enhances our ability to identify opportunities, address issues, and find solutions to some of our most important citizenship challenges. We engage with stakeholders of all types and interests, seeking an understanding of how their needs interact with the needs of our business and society. We actively listen to and learn from stakeholders and provide them with information to better understand our actions and our intentions.

For more information on how we engage with our stakeholders, see the stakeholder engagement table (p. 98).

Target

On Track

Continue to meet with a formal external stakeholder group that provides regular feedback on citizenship performance


We find that conversations and collaboration with formal stakeholder groups are an effective tool for understanding stakeholder interests. These organizations, which are often focused on the environment, health and nutrition, labor standards, and other areas of strategic interest for Disney, have helped inform our citizenship goals and programs. In the fall of 2010, Disney joined Ceres, a national network of investors, environmental organizations, and other public interest groups working to address citizenship challenges. As part of our membership, Ceres facilitates regular stakeholder engagements on a wide range of citizenship topics.

In 2012, we continued our relationship with Ceres. Our Ceres stakeholder group reviewed and provided feedback on an early draft of this report. Their feedback ranged from broad ideas, such as how the content was organized and presented, to specific input on individual targets. Feedback from the stakeholder group was invaluable and much of it is reflected in this final report.

We also regularly meet and collaborate with a wide range of stakeholders on specific topics such as labor standards, environmental issues, health and nutrition, and citizenship disclosure.

Goal

Integrate citizenship into the responsibilities of every Disney employee

Educating and informing employees about the importance of citizenship at Disney and the role they can play through their work is a critical step in making progress toward this goal.

For more information, see our discussion of [Business and Ethics Standards](#) and our [Code of Business Conduct and Ethics for Directors](#).

Target

On Track

Maintain the high level of understanding that employees have about the role they can play in helping Disney be a responsible company



Disney is focused on embedding citizenship into daily decisions and actions. We are continuously developing and executing communications and programmatic strategies to fulfill this objective through executive and employee engagement.

In May 2010, we conducted benchmark research to understand employee opinions and behavior around citizenship. We repeated this research in 2012 and intend to continue doing so on a biennial basis.

Research conducted in May 2012 indicates that among U.S.-based employees, **93% agree or strongly agree** with the following statement: “I understand the role that I can play in helping The Walt Disney Company be a responsible company.” This is an increase from 2010 when 86% of U.S.-based employees agreed or strongly agreed with the same statement.

Target

On Track

By 2013, all new hires³⁰ will receive citizenship information during recruitment, orientation, or on-boarding



We believe it is critical to engage employees in citizenship from the beginning of their time at Disney. Employees currently receive at least one day of formal orientation covering topics such as brand immersion, ethics, and business standards. The format and composition of orientation can vary based on business unit and geographic location.

Disney’s largest orientation—Disney Traditions at Walt Disney Parks and Resorts—includes citizenship information in its on-boarding process, encouraging environmental stewardship, donation of employee time and talents, and community involvement. In 2012, we tested additional immersive experiences in Disney’s corporate orientation, including interactive presentations, on-site VoluntEARS experiences, and increased follow-up after the initial orientation day. Over the course of 2013, we will work with orientation programs around the world to coordinate messaging and experiences about citizenship.

³⁰ The original target was updated to focus on “new hires”: those employees who participate in recruiting, orientation, and on-boarding activities.

Goal

Respect human rights within our operations

As a global company with diverse businesses, Disney recognizes our responsibility to respect human rights. Our human rights policy statement aligns with the United Nations' Universal Declaration of Human Rights and the International Labor Organization's Declaration on the Fundamental Principles and Rights at Work.

For more information, see our [Human Rights Policy Statement](#), [Statement on Forced Labor and Human Trafficking](#), and [Privacy Policy](#) on our websites.

Target

Completed

By 2012, assess the measurable steps Disney has taken to advance its Human Rights Policy Statement and determine if additional steps are necessary to achieve its ends



We take very seriously our responsibility to respect human rights across all of our businesses globally. In 2012, we reviewed the areas of our business that are implicated by our Human Rights Policy Statement. Elements of this evaluation were an input into efforts that have further strengthened our approaches on privacy, working conditions (p. 91), and online safety (p. 44).

Respectful Workplaces

At Disney, we seek to foster safe, respectful, and inclusive workplaces wherever we do business. This commitment applies not only to the more than 166,000 Disney employees, but also to the thousands of people creating Disney-branded products around the world.

We also hold high expectations for quality and ethics from those who supply us with Disney-branded products or produce them under license from us. This includes promoting ethical sourcing of Disney-branded products by working to improve labor conditions in production facilities, testing the safety and integrity of products, and exploring ways to reduce the environmental footprint of the supply chain.

Our goals for fostering safe, respectful, and inclusive workplaces include:

- Develop and support a diverse workforce
- Increase access to and participation in health and wellness programs for our employees and their families
- Promote policies and programs that support parents and caregivers in the workplace
- Maintain safe workplaces in our owned operations
- Support employee career development
- Increase understanding of our extended supply chain in order to promote safe, inclusive, and respectful workplaces
- Support programs and initiatives that address core labor issues within our supply chain

Performance Summary

Key:  Completed  On Track  Getting Started  Did Not Achieve

Target

Status

Summary

In 2012, introduce a global workplace and women's initiative



In 2012, we introduced this global initiative and appointed Anne Sweeney, Co-Chair of Disney Media Networks and President, Disney-ABC Television Group, to serve as the Executive Champion.

Increase the diversity of our employee base



We continue to diversify our workforce and celebrate the rich differences that reflect the global communities, guests, audiences, and consumers we reach.

By 2015, create at least 1,000 job and career opportunities for U.S. veterans across The Walt Disney Company



In 2012 alone, over 1,000 offers made to U.S. veterans have been accepted.

By 2013, create and promote participation in kid-friendly physical activity events for employees and their families in all major U.S. geographies where our employees reside (CA, CT, FL, and NY)



We took measures to extend our Couch to 5K physical activity event to include family participation.

By 2013, provide financial incentives to employees and their families for at least three specified "healthy" results through Disney's results-based Wellness Rewards Program



Two Disney Healthy Pursuits financial incentives were developed in 2012.

 Completed
  On Track
  Getting Started
  Did Not Achieve

Target

Status

Summary

By 2015, grow backup child care and elder care efforts that result in a 20% increase in the total number of employee workdays saved across Disney



Our backup child care use decreased due to decreased need.

By 2012, include additional, safety-specific expectations as part of employee-performance evaluations at Walt Disney Parks and Resorts



Performance safety-specific goals were included for all salaried leaders at WDP&R in 2012.

By 2013, create a Community Watch presence in offices across most businesses and affiliated companies around the world and increase the percentage of U.S.-based employees who are trained in key awareness areas by 50% over our 2011 baseline



A Community Watch presence was established in more offices around the world and the percentage of U.S.-based employees who are trained in key areas increased by more than 130% over 2011.

Continue to enhance career development efforts across our business units



We continue to enhance development efforts such as our “Performance Connection” tool and Individual Development Plans.

By 2014, increase visibility into facilities producing Disney-branded products in high-risk countries by 50%, and achieve 100% visibility by 2018



In 2012, we increased our visibility rate to 41% from 35% in 2011.

 Completed
  On Track
  Getting Started
  Did Not Achieve

Target

Status

Summary

By 2014, achieve 85% visibility into facilities in high-risk countries that are used in the production of Disney-branded products sold in our vertical retail businesses, and achieve 100% visibility by 2017



In 2012, we achieved 66% visibility into facilities in high-risk countries that are used in the production of Disney-branded products sold in our vertical retail businesses.

By 2013, implement an enhanced global training and education program for key internal stakeholders focused on better understanding and implementation of our International Labor Standards program requirements



We made significant changes to our International Labor Standards Program Manual and conducted a global outreach program to train employees as well as vendors and licensees.

By 2013, increase financial and other support for independent programs and initiatives addressing core labor issues within our supply chain



In 2012, we launched an investment fund with \$2.3 million in grants to three organizations that address systemic challenges in labor compliance.

Performance Detail

Goal

Develop and support a diverse workforce

To understand and meet the needs of diverse consumers, guests, fans, and viewers, our opinions, products, and perspective must include a multitude of ideas, sensibilities, and experiences. As a company, we must include and attract individuals who reflect the diverse world we live in.

For more information on our commitment to developing and supporting a diverse workforce, see [Disney Workplaces](#), [Culture and Diversity](#), and our [Business and Ethics Standards](#) on our websites.

Target

Completed

In 2012, introduce a global workplace and women's initiative



Driving and sustaining peak performance requires us to leverage the time and talents of our total workforce. Women account for nearly 50% of our employees.

In 2012, one of our most significant accomplishments was the appointment of Anne Sweeney, Co-Chair, Disney Media Networks and President, Disney-ABC Television Group, to serve as the Executive Champion of the global workplace and women's initiative. Improving our workplace practices and enhancing the quality, creativity, and innovation of our products are primary goals of this initiative. Working with a small planning team and representatives of our Disney Diversity Council, we have initiated discussions around the framework for this work and reviewed the 2012 Employee Engagement Survey results, which will inform specific focus areas for this effort. In addition, in 2012 the global workplace and women's initiative focused on celebrating the 40th Anniversary of the landmark Title IX Legislation and took preliminary steps to explore the design of a global Women's Employee Resource Group.

Target

On Track

Increase the diversity of our employee base



We believe that having employees with a broad range of backgrounds, experiences and perspectives gives us an advantage in understanding and meeting the needs of our consumers. This commitment serves to keep our focus on attracting, developing, and retaining a diverse workforce at every level.

Having a diverse workforce is critical to our business. We welcome a variety of opinions, ideas, and perspectives to ensure we continue to top our own performance and represent our global marketplace. In 2012, we continued to diversify our workforce and celebrate the rich differences that reflect the global communities, guests, audiences, and consumers we reach. Among other accomplishments, we continue to see an increase in our overall minority and female employee population, and through our enhanced employer branding campaigns, applicant tracking and management reporting processes, we have also experienced an incremental increase among our minority and female executive level hiring.

Chart 6 Key Diversity Data Points

Fiscal Year	2010	2011	2012
Global Employees ³¹	134,532	141,260	150,158
Minority Percentage (<i>U.S. employees</i>)	40%	39%	39%
Minority Percentage (<i>management, U.S.</i>)	21%	21%	23%
Female Percentage (<i>global employees</i>)	52%	52%	51%
Female percentage (<i>management, global</i>)	43%	44%	44%
Total Direct Spend with Minority and Women-Owned Business Enterprises (<i>millions, U.S. \$</i>)	\$443.6	\$415.4	\$510.3

³¹ Diversity numbers include all employees in our SAP system. Of note, this excludes Pixar, Marvel and Disneyland Paris employees and includes casuals paid within the last 60 days, but excludes daily hires and contract workers. For training-related questions, the numbers represent all employees in Disney Development Connection and excludes Pixar, Marvel, Disneyland Paris, and contract workers.

Target

Completed

By 2015, create at least 1,000 job and career opportunities for U.S. veterans across The Walt Disney Company

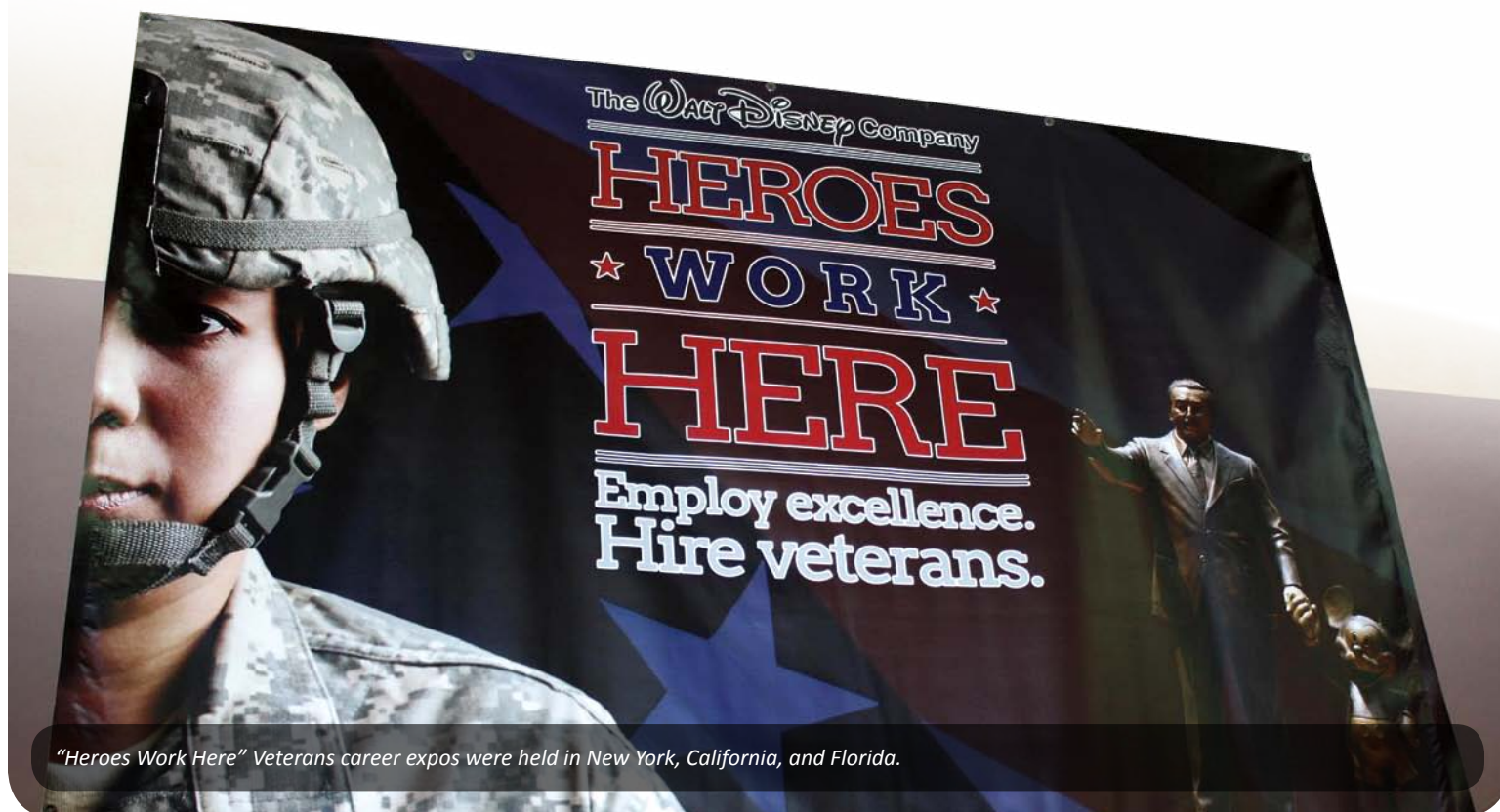


From the beginning, supporting the U.S. Armed Forces has been a Disney tradition. It's part of our history, of Walt Disney's legacy, and we are proud of this commitment. [Heroes Work Here](#) is a new company-wide initiative to hire, train, and support returning veterans.

As America's military men and women return from deployment and complete their service, they create a tremendous talent pool of potential employees who have been tested and proven to have the courage and character to lead the future. We believe their experience, skills, and perspective will add significant value to any organization.

During calendar year 2012, over 1,000 offers made to U.S. veterans were accepted. These offers were extended from every segment of The Walt Disney Company, including ESPN, Disney-ABC Television Group, Walt Disney Parks and Resorts, Disney Consumer Products, Disney Interactive, and The Walt Disney Studios, as well as at our corporate offices.

We are proud that we hit this 2015 target so quickly. Key factors to achieving our four-year hiring goal in 2012 include generating awareness in the veteran community by launching a multi-million dollar media value PSA campaign and by holding three national Disney Veteran Expo events, along with recruiter and hiring manager training programs.



"Heroes Work Here" Veterans career expos were held in New York, California, and Florida.

Goal

Increase access to and participation in health and wellness programs for our employees and their families

Disney is committed to the total well-being—physical, emotional, and financial—of our employees. We provide a range of wellness resources to meet the diverse needs of our employees—no matter where they are on their personal journey to better health. Disney's efforts encourage simple changes that add up to make a healthy difference.

Target

By 2013, create and promote participation in kid-friendly physical activity events for employees and their families in all major U.S. geographies where our employees reside (CA, CT, FL, and NY)

On Track



Disney Healthy Pursuits is the collection of healthcare and wellness programs we offer our employees to support them in their pursuit of a healthier life. As part of Disney Healthy Pursuits, we are working with Active.com to promote, through a dedicated website and specified events throughout the year, the importance of outdoor physical activity. With growing evidence of child obesity and its impact on the health and productivity of the future workforce, Disney is looking to extend these activities to employees' families.

This past spring, Disney Healthy Pursuits extended our Couch to 5K physical activity initiative to include family participation. In order to target engagement of Disney family members, Active.com was asked to negotiate race entry discounts and events that were open to children (where available). The locations culminated in 5K events held in Anaheim, Los Angeles, Bristol, New York, Orlando, Charlotte, and Memphis.



Employees and their families participate in the ESPN Walk/Run to Wellness event held in Bristol, Connecticut.

Target

On Track

By 2013, provide financial incentives to employees and their families for at least three specified “healthy” results through Disney’s results-based Wellness Rewards Program



In 2009, as part of Disney Healthy Pursuits, we launched a new Wellness Rewards Program. Employees who participate are eligible for financial incentives in return for making healthy choices. Currently, the Wellness Rewards Program is part of a multi-year approach to recognize employees and their spouses/partners who are taking healthy steps and getting results. Numerous studies have shown that employees’ engaged participation in wellness programs can lead to reduced utilization of high-cost medical services, reduced absenteeism, and improved job satisfaction.

During 2012, Disney Healthy Pursuits laid the groundwork to allow the new Wellness Rewards program to include financial incentives for employees and their spouses who attain results within a given range for two metrics (Body Mass Index and Blood Pressure). This, in combination with the completion of an online Personal Health Assessment, allows employees and their spouses to earn up to a total of \$600. The Wellness Rewards program has been structured to include resources designed to aid in healthy outcomes, such as Health Coaching, physical activity programs, nutritional resources through select vendors, onsite resources, and disease management programs. The changes to the Wellness Rewards program were made effective at the start of 2013.



A member of the Disney Triathlon Team crossing the finish line at the Nautica Malibu Triathlon (Photo by Jago Soria)

Goal

Promote policies and programs that support parents and caregivers in the workplace

Disney provides a wide selection of family-friendly benefits and services to support the needs of parents and caregivers at Disney. Our many initiatives include the expansion of child care opportunities in our U.S. sites, adoption assistance, survivor support, and domestic partner benefits.

For more information, go to [Working Here](http://WorkingHere.atDisneyCareers.com) at DisneyCareers.com

Target

Did Not Achieve

By 2015, grow backup child care and elder care efforts that result in a 20% increase in the total number of employee workdays saved across Disney³²



Dependent care programs support critical business goals by helping employees meet their obligations at work even as they juggle child care, sick children, elder care, school closings, business travel, and the many other issues that may present work/life challenges. We believe that employees with dependent care support systems experience better health, well-being, productivity, and engagement, and that they are more likely to stay with the organization.

We engage a variety of vendors at our larger sites to help employees locate backup care for their children. Our employees use this service when their caregiver is ill or on vacation, school is closed for holidays, their shift changes, or their child is mildly ill and needs in-home care. Adult dependents are also eligible for backup care in several of our locations. All backup care providers pass an extensive screening process, are fully credentialed, and meet or exceed state child care licensing requirements.

In the past few years, we have expanded our child care opportunities for employees. For 19 years, we have provided a Children's Center for 112 children in Burbank. In 2011, we opened a new LEED (Leadership in Energy and Environmental Design) facility to serve families in the Glendale area; ESPN's child care center opened in September 2011 and cares for 240 children; Pixar opened a child care facility in 2008 that accommodates 97 children; and at Walt Disney World Resort, two early childhood development centers are operated by the Central Florida YMCA caring for 3,716 children.

³² Due to reporting processes, the data for this target represents calendar year 2012.

Overall, in 2012 we did not achieve this target as backup care usage decreased by 4% due to reduced need, with child care and elder care usage down by 3% and 31%, respectively. Examples of backup care demand at our sites around the world include:

- Walt Disney World: usage rose by 1.4%.
- Disneyland Resort and Aulani: child care usage decreased by 1% due to reduced need; use of elder care decreased by 35% due to reduced need.
- Pixar: usage decreased by 3.3% due to reduced need.
- ESPN: child care decreased by 21% due to reduced need; elder care usage rose by 28.6%.

In evaluating our performance, we realized that we cannot control employee demand for backup care; therefore, it was unrealistic to target an increase in backup care usage and resulting employee workdays saved due to its use.

As a result, we will be retiring this target for future citizenship reporting. While we will track this metric internally to monitor need on an ongoing basis, the current decreased demand indicates, at least for the immediate future, that it is not a strategic target aligned to business needs.

Goal

Maintain safe workplaces in our owned operations

Disney is strongly committed to reducing the risk of injury and illness to our employees and to managing problems that do occur. We utilize a team-based safety strategy centered on the belief that safety is everyone's responsibility and rests with each employee. In addition, management takes a visible and active role in embedding safety into the planning process for all projects and business development. This commitment is communicated to every employee as well as contractors, vendors, and suppliers.

Security is a key pillar of The Walt Disney Company and affiliated companies' commitment to corporate citizenship, a top concern of our employees and guests, and one of the underpinnings of the Company's continued success. The Disney Global Security enterprise executes this mission and strives for excellence and continuous improvement to make every day safer and more secure from any threat – whether criminal, cyber, or natural – than the day before.

For additional information, see [Safety and Security](#) on our corporate website.

Target

By 2012, include additional, safety-specific expectations as part of employee-performance evaluations at Walt Disney Parks and Resorts

Completed



Performance plan goals are vital to driving our safety culture and keeping our leaders focused on their personal and visible commitment to safety. This includes helping our employees feel empowered to take action around safety.

In 2012, safety-specific performance goals were included for all salaried leaders at WDP&R. The performance safety objectives were designed to demonstrate visible leadership commitment to safety and fully empower our cast members to take action around safety.

Through our employee survey results we were able to measure the effectiveness of the performance evaluation safety culture goals. The employee survey demonstrated a significant improvement in safety culture and a visible commitment to safety by our executives and senior managers.

Target

Completed

By 2013, create a Community Watch presence in offices across most businesses and affiliated companies around the world and increase the percentage of U.S.-based employees who are trained in key awareness areas by 50% over our 2011 baseline



Employee vigilance is the best way for us to better protect our workplace, our employees, our guests, vendors, and our intellectual property. Our employees are the first line of defense – the most likely to encounter an issue before a security team member—and may need to take action or help themselves in a natural hazard before authorities can respond. Community Watch’s comprehensive awareness approach educates employees on their role at all points in the security spectrum—how to protect persons, property, and information, how to personally prepare for unlikely events, and how to recognize and respond to the threats they are most likely to encounter.

In 2012, Community Watch programs were established internationally in the United Kingdom, Kelowna (BC, Canada), and across the Asia-Pacific region. In the U.S., programs were established in Chicago, Celebration, Detroit, and at five ABC-owned stations (Philadelphia, Raleigh-Durham, Chicago, San Francisco, and Houston). Each month, employees at these locations receive awareness messaging in at least three different ways, including posters, emails, online articles, and videos, and tips featured in internal publications.

More than 1,000 U.S. employees received instructor-led training in one of our key awareness areas in 2012: general threat awareness, information protection, or workplace violence. This is a more than 130% increase over 2011 when 452 employees³³ received instructor-led training. In addition, Community Watch was incorporated into the Corporate Orientation program in Burbank to introduce security awareness to all new employees and provide instruction on how to report suspicious activity or security concerns.

³³ In the 2011 Corporate Citizenship Report, we reported that we trained approximately 700 employees in key awareness areas, which accurately reflected the number of employees trained in calendar year 2011; however, Community Watch was launched just prior to the start of fiscal year 2011 (late August 2010), and thus to capture all of the employees trained since the launch of the program, we adjusted our reporting numbers this year to reflect the fiscal year rather than the calendar year. Moving forward, all reporting will be based on the fiscal year to remain consistent with the rest of the Corporate Citizenship Performance Summary.

Goal

Support employee career development

Disney offers a wide array of professional opportunities in different lines of business, geographical locations, and specialty areas. To support each individual's development, we have invested in a global approach to learning and development called Disney Development Connection. In addition, we support employee learning through a tuition reimbursement program and other learning opportunities. Importantly, we place specific emphasis on the targeted development plans of those employees recognized as successors for key roles.

For more information on how we support employee career development, see [Disney Workplaces](#) on our website.

Target

Completed

Continue to enhance career development efforts across our business units



Individual Development Plans (IDP)—an integrated approach to performance management and career management—ensure that all employees have the knowledge, skills, and abilities they need to excel in their current role, and then prepare for a potential future role. ESPN first introduced IDPs in 2011, and during the first year, 92% of ESPN employees had development plans. Moreover, 43% of employees participating in development programs indicated their participation was directly linked to their IDP. Other businesses will soon be implementing IDPs as well. In 2012, we expanded the IDP program to ESPN international staff, and implementation is currently still underway.

As employees look to take the next step in their Disney career, they turn to My Disney Career, an online resource that makes it easy to search and apply for jobs throughout the Company. Last year, 2,712 professional openings were filled through internal promotions.

Across the Company, leaders use the internally developed performance management tool called “Performance Connection” to help them set annual performance and developmental objectives with their staffs. Managers provide ongoing coaching and feedback throughout the year and conduct formal mid-year and end-of-year performance reviews using the online system as the documentation tool. In 2012, **88% of eligible staff participated.**

Chart 7 Key Training Data Points

Fiscal Year	2010	2011	2012
Global Training Hours	3,254,596	3,665,756	4,574,863
Number of Training Participants	1,466,394	1,863,859	1,826,849

Goal

Increase understanding of our extended supply chain in order to promote safe, inclusive, and respectful workplaces

Disney's International Labor Standards (ILS) program, created in 1996, is based on the Company's Code of Conduct for Manufacturers, which we use to monitor, evaluate, and address issues related to working conditions in the more than 25,000 facilities manufacturing Disney-branded merchandise around the world.

For more information on [ethical sourcing](#) and our [ILS program](#), see our website. For more data on audit findings, go to the [2012 Citizenship Data Update Table](#).

Target

On Track

By 2014, increase visibility into facilities producing Disney-branded products in high-risk countries by 50%, and achieve 100% visibility by 2018



As part of our effort to increase visibility into facilities manufacturing Disney-branded products, we continue to focus our resources on facilities located in countries that have been identified as high risk for labor standards issues. We identify high-risk countries and prioritize visibility into facilities operating in those countries by utilizing the World Bank Governance Indicators, which assess country risk on a variety of topics. We also leverage our years of experience with facility working conditions throughout the world in conducting these risk assessments. For this purpose, visibility is achieved by reviewing the facility audits conducted by Disney and the independent auditing organizations engaged by Disney, as well as by the independent licensees, vendors, and buying agents authorized or licensed to produce Disney-branded products.

For this target, "Disney-branded" means all brands owned by The Walt Disney Company. Visibility gives us an understanding of conditions within facilities and enables us to identify labor standards issues and work with our business partners to address those issues and help foster safe, inclusive, and respectful workplaces in the facilities that produce Disney-branded products. Audits required to be provided to us by third-parties must be conducted within six months of the date of submission and repeated within 12 months or sooner. Identifying target points through increased visibility allows us or our licensees and vendors to address those concerns and make an impact on a facility's overall compliance.

In 2012, Disney continued to make progress in improving our visibility into facilities making Disney-branded products in high-risk countries. We improved our **visibility rate to 41% in 2012**, up from 35% in 2011 (**an improvement of 6%**).³⁴

We are in the process of adding substantial additional resources so that we can achieve our 2014 and 2018 goals. This includes educating and engaging a greater number of licensees and vendors in factory monitoring and adding to our ability to analyze facility audit reports.

While our visibility figures may appear to have dropped from previous reporting cycles, the reduced percentages are in fact due to a change in policy on the frequency with which facilities must be visited. Previously, a facility visit was required every two years. In 2012, the policy was changed to require at minimum a yearly facility visit in order to help improve the quality and relevancy of the data we receive.³⁵

³⁴ This data is calculated by dividing the total number of facilities in high-risk countries for which we have received a qualified audit during the prior 12-month period by the total number of facilities in high-risk countries.

³⁵ Previous figures were as follows: 2011: 41%; 2012: 48%. While our visibility figures may appear to have dropped from previous reporting cycles, the reduced percentages are in fact due to the change in policy.

Target

On Track

By 2014, achieve 85% visibility into facilities in high-risk countries that are used in the production of Disney-branded products sold in our vertical retail businesses, and achieve 100% visibility by 2017



In addition to our licensing model, which accounts for a majority of the Disney-branded merchandise available in the market, Disney also sources branded products directly from facilities for use or sale by the Company. This includes products sold in our theme parks, resorts, and Disney Stores. Only a small portion of all Disney-branded products are sold in retail businesses owned by Disney. This target focuses on those products.

Unlike the licensing model, Disney is able to exercise more control over the branded products we source directly and sell in our own retail outlets. For this reason, Disney has historically been able to achieve higher visibility and is on track to meet our 2014 target of 85% visibility into facilities in high-risk countries producing merchandise sold in our vertical retail business by 2014. In fact, **we have already achieved 66% visibility in 2012.**



Production of Disney-branded product at a facility in China

Target

On Track

By 2013, implement an enhanced global training and education program for key internal stakeholders focused on better understanding and implementation of our International Labor Standards program requirements



Disney employs over 166,000 people across the globe. A portion of employees have a role in licensing or sourcing Disney-branded products and educating these employees is a critical part of our program. Furthermore, education efforts directed towards the wider Disney community have been an important part of the ILS program's strategy, as cast members and employees serve as ambassadors of Disney's approach to developing respectful workplaces. Our strategy anticipates training and education programs and materials aimed at all stakeholders including licensees, vendors, buying agents, and facility management and workers, and our own employees.

In 2012, we implemented a number of changes to our International Labor Standards Program. These changes included the establishment of a Minimum Compliance Standard that must be satisfied before we authorize production in a licensee or vendor's facility, a new country risk assessment process, and shorter time frames for facility monitoring. To communicate these changes, we updated and published our "[International Labor Standards Program Manual](#)," which is available online for our licensees and vendors in 11 languages. This manual is also available to the public through our corporate [website](#). We then conducted numerous global training sessions, attended by more than 750 Disney employees, to promote the goals of the program and to explain these recent program changes. That training session is now available on-demand as an interactive webinar available to all Disney cast members. In addition, we continue to conduct many one-on-one education sessions with employees, licensees, vendors, and agents globally to help them understand their role in promoting Disney's ILS program.

Goal

Support programs and initiatives that address core labor issues within our supply chain

Disney believes that by lending financial and other support to organizations addressing systemic challenges and core labor issues we are contributing to the promotion of ongoing and responsible improvements in working conditions in our supply chain around the world.

Target

On Track

By 2013, increase financial and other support for independent programs and initiatives addressing core labor issues within our supply chain



In an effort to confront systemic challenges in working conditions around the world that are not unique to Disney, we have partnered with various stakeholders to provide financial support towards the development of projects that build capacity for improving labor standards compliance in unique and effective ways.

The challenges being addressed by our partners are core labor issues encountered in many of the facilities that produce Disney-branded products. These systemic challenges have been well-documented by independent experts, interested organizations, and numerous companies that have adopted similar standards. We believe that by lending support to organizations that are addressing these systemic challenges and core labor issues we are contributing to the promotion of ongoing, steady, and responsible improvements in working conditions in our supply chain.

In 2012, Disney provided **\$2.3 million in grants** to three organizations specifically for the development of projects that address systemic challenges. All three of these projects seek to empower workers in global supply chains and focus on three major markets that are central to Disney's consumer products business: Brazil, China, and India. The partner organizations and projects include:

- Business for Social Responsibility (BSR) is a leader in corporate responsibility research, collaboration, and consultation with 20 years of experience in the field. Disney's investment will help develop and implement a financial literacy program for female factory workers in India.
- Social Accountability International (SAI) a registered nonprofit organization, is a leader in labor standards implementation and training and the owner of the SA8000 Standard, one of the world's preeminent labor standards. Disney's support will help launch initiatives to improve health and safety in Brazilian factories.
- Verite is a monitoring, training and research not-for-profit that works to ensure that workers worldwide work under fair, safe, and legal conditions. Disney's funding will help train and educate workers on occupational health and safety, and establish a grievance mechanism for workers in China.

Highlight on Collaboration with BSR

In India, Disney provided the founding grant to Business for Social Responsibility (BSR) to develop and launch a financial literacy program, called HERfinance, for female factory workers. The goals of HERfinance are to ensure that the poor, particularly women, have the proper knowledge, skills, and attitudes toward financial management. This allows them to participate in the formal financial sector which can help them save, build credit worthiness, invest, and reduce risks related to illness or loss of employment, thereby creating a more healthy and productive workplace.



Disney supports the ethical production of Disney-branded merchandise through programs focused on safety, labor, and the environment.



Stakeholder Engagement

We take stakeholder engagement seriously and regularly engage in discussions with a variety of professional stakeholders including socially responsible investors, media watchdogs, non-governmental organizations (NGOs), business associations, parents, employees, and many others. These discussions help us better understand stakeholder perspectives and ensure that we are continuously listening to a variety of voices outside of our company walls. For a company with diverse businesses, brands, and operational models, there are many issues that could impact our business. These discussions help us monitor and prioritize the range of citizenship issues important to stakeholders and important to our business. Along with our internal issues assessment, the expertise and voices of external groups act as an important input as we continuously examine and refine our citizenship strategy.

DWCF supported The Nature Conservancy's LEAF internship program, which connects urban students with nature at The Nature Conservancy's Disney Wilderness Preserve in Florida and other locations.

Stakeholder Table

To bolster our stakeholder engagement efforts, we have partnered with Ceres over the past two years to gain feedback from the stakeholder community on our citizenship efforts. Our Ceres stakeholder team reviewed and provided comments on our 2010 Citizenship Report, and this team was a crucial feedback channel as we developed our first comprehensive enterprise-wide citizenship targets (published in March 2012). We have continued to consult with Ceres to obtain stakeholder feedback as we developed this report—our first performance report against those citizenship targets.

Ceres leads a national coalition of investors, environmental organizations, and other public interest groups working with companies to address sustainability challenges. The stakeholder group working with Disney was convened by Ceres and is an independent group of individuals representing NGOs, socially responsible investors, peer companies, and other leaders in corporate citizenship. It represents a range of constituencies that have expertise in environmental, social, family entertainment, and governance issues.

When reviewing this report, the Ceres stakeholder group considered whether Disney adequately reported on its citizenship performance and key impacts, including goals, targets, systems, data, and initiatives.

The following table outlines key feedback obtained from the Ceres stakeholder group over the last two years. This table represents one way we have worked to address and respond to the voice of leading stakeholders in corporate citizenship.

Issues

Leadership and Influence

Stakeholders believe that Disney's position as a globally recognized company provides it with a substantial opportunity for leadership in many areas. Stakeholders challenge Disney to leverage its brand equity both at home and in new markets to clearly communicate its sustainability mission and to set a high bar for corporate citizenship performance for itself and for its partners, suppliers, and licensees.

Disney's Response

Disney realizes that as a global leader in media and entertainment, particularly for kids and families, we have both a responsibility and an opportunity. We take this responsibility seriously. Some examples include:

- Promoting healthy lifestyles for kids and families by announcing [updated nutrition guidelines](#) for food we serve and advertising standards that align our guidelines with what is promoted on our media platforms.
- Convening a [Kids and Nature Celebration](#) to bring attention to the importance of nature to youth, recognize NGO leaders in connecting kids and nature, and engage youth in a Friends for Change summit.
- Facilitating improvements for labor conditions around the globe, and [investing in solutions](#) to systemic supply chain labor issues.
- Championing the responsible use and sourcing of paper through the announcement and implementation of an enterprise-wide paper policy.
- Increasing citizenship accountability and transparency with the publication of comprehensive citizenship targets.

Future Plans

We will continue to identify opportunities where we have a unique opportunity to create lasting, positive change in communities and in our industry.

Issues

Materiality

Materiality has been a topic raised in many of the engagements. Stakeholders continue to stress the importance of conducting a comprehensive materiality analysis to determine sustainability priorities and ensure they are factored into the Company's enterprise risk management approach. They also encourage stakeholder engagement in and disclosure of the materiality process.

Disney's Response

In 2012, Disney collaborated with SustainAbility, a leading sustainability and citizenship consultancy, to help develop an issues prioritization matrix. The analysis incorporated topics raised by stakeholders and included a broad representation of corporate citizenship issues. The results of this analysis will help inform our reporting and provide input into our strategy development.

Future Plans

We recognize that an issues prioritization analysis, though utilizing a 3-to-5 year time horizon, is reflective of a moment in time. We plan to revisit this analysis on a regular basis to ensure that we're focusing our citizenship efforts on the most relevant issues to our business and society.

Develop a Comprehensive Climate Strategy

While stakeholders recognize Disney's ambitious goal of zero net direct GHG emissions, the group also stresses that the goal must be time-bound in order to be truly meaningful and encourage the Company to connect this goal to a broader climate change strategy across its entire value chain. Stakeholders also stress the importance of climate adaptation strategies, particularly as they relate to products and theme parks and resorts, and encourage Disney to incorporate these strategies into its overall strategy.

We understand that carbon emissions and climate change are inextricably linked. Since 2008, we have had time-bound targets in place to reduce our direct emissions and reduce electricity usage. Our approach to these goals follows the hierarchy of avoiding emissions, reducing emissions through efficiency, replacing high-carbon fuels with low-carbon alternatives, and then using high-quality offsets for our remaining emissions.

For additional information on our climate strategy, see the Environmental Stewardship section of this report.

During this past year we have begun work on developing new emissions and electricity use targets (to be announced in our 2013 report). These targets, along with other targets addressing the environmental impacts of our extended value chain, are part of our larger approach for reducing our overall carbon emissions.

Issues

Return On Investment (ROI)

Wherever possible, Disney should measure and demonstrate a return on investment for their efforts on environmental, social, and governance issues.

Disney's Response

There is a strong connection between our citizenship efforts and the strength of the Disney brand. Maintaining the trust that families have in the Disney brand is critical to our long-term growth and success. We measure the contribution of our citizenship efforts to our overall reputation through a Brand Equity study and a biennial citizenship reputation study. We have also worked to measure the business opportunity that citizenship provides to our company and the cost efficiencies related to citizenship decisions.

One example is our focus on healthier lifestyles for kids and families. In 2012, we [announced](#) updated nutrition guidelines for food, and advertising standards that align our advertising and promotions to kids with these guidelines. These standards, building on the work we've already done to encourage food companies to adopt our guidelines, focus on the promotion and advertising of nutritious foods on our media platforms oriented to families with younger children. We believe this is a smart strategy for kids and for our businesses. The standards help us promote healthier foods and continue to build our trust with families by ensuring that the promotions and advertisements they see meet strict nutrition standards.

Future Plans

We will continue to seek opportunities to measure and quantify the impact of our citizenship activities.

Issues

Long/Medium/Short-Term Targets

Stakeholders want to see Disney expand their target-setting efforts and bridge the gap between their short- and long-term goals by setting additional incremental targets for the mid-term that are time-bound and measurable. Stakeholders also stress the importance of disclosing multi-year performance metrics and measurable outcomes, and ensuring Disney's overall tenets and goals, no matter how aspirational, are time-bound.

Disney's Response

We published our first comprehensive, enterprise-wide citizenship [targets](#) in March 2012. The Ceres stakeholder group was deeply engaged throughout the process of developing the targets and their feedback was integrated throughout.

Future Plans

We are in the middle of a long-term planning process for the development of our next generation of citizenship targets. We will continue to integrate the input of stakeholders as these targets are developed.

Stakeholder Engagement

Disney should take advantage of opportunities to continue engagement with external stakeholders, as well as seeking out collaboration with other companies and organizations that share Disney's values.

We value the voices of our many stakeholders. This stakeholder table is a testament to the importance placed on stakeholder feedback about our citizenship work. Some other examples include:

- Regular engagement by our International Labor Standards team with a wide range of SRIs, advocacy organizations, and NGOs. The team recently hosted a workshop attended by over thirty different organizations on behalf of the Global Social Compliance Program. The workshop focused on developing capacity building programs that improve social performance at the factory level.
- Engagement with Rainforest Action Network and the World Resources Institute during the development of our paper policy [announced](#) in October 2012.
- Collaborations with organizations such as KaBOOM! and Playworks that support our goal of promoting healthier lifestyles for kids and families.

We will continue to listen to and engage with our many stakeholders. Their voices, expertise, and perspectives are invaluable to us as we integrate citizenship into all areas of our business.

Issues

Supply Chain Leadership

As both the largest licensor in the world and a retailer of products in theme parks and Disney Stores, Disney's extended global supply chain includes both direct and indirect opportunities for influence. Stakeholders encourage Disney to continue seeking ways to work with, influence, and inspire suppliers—holding them to the same expectations Disney holds itself. This includes environmental efforts such as water management and carbon reductions as well as social issues such as human rights, labor relations, and gender equality.

Disney's Response

We understand that the impacts of our operations are far and wide. We require our licensees and vendors to meet specified requirements under our Code of Conduct for Manufacturers, and this requirement is applied equally around the world. Some examples of our work include:

- Expanding the reach and scope of our Environmental Responsibility Index to better understand environmental impacts in our supply chain, as well as educating suppliers on our expectations.
- Focusing our International Labor Standards strategy to increase visibility into facilities in high risk countries, avoiding production in facilities with poor working conditions by requiring pre-production audits that must meet the minimum compliance standard for production to begin, and collaborating with external partners to address systemic labor issues.

Future Plans

We plan to continue to expand our understanding of the environmental impacts of our supply chain as well as to educate our suppliers on our expectations. Also, as we implement the shift in our International Labor Standards program strategy we will continue to work towards the long-term goals set out in our targets to increase visibility, compliance, and collaboration.



Looking Ahead

In 2012, we focused on business integration, stakeholder engagement, and a series of policies and standards designed to improve management and minimize our footprint. Our 2012 priorities included:

- Expanding accountability for citizenship performance
- Increasing the impact of philanthropic investments and community engagement
- Supporting the ethical production of Disney-branded products
- Minimizing our environmental impact
- Encouraging healthier living for kids and families
- Inspiring kids and families to make a lasting, positive change in the world

While we continue to focus on conducting our business and creating our products in an ethical manner, we believe we have a unique opportunity to increase engagement among our employees, guests, and consumers by inspiring them to join us in creating a brighter tomorrow. Later this year, we will launch a citizenship platform, “Be Inspired.” We are hopeful that this new platform will provide greater clarity about our areas of focus and will further define where we can make a significant contribution to society. We will celebrate the 30th Anniversary of our VolunTEARS program and will use this occasion to redouble our efforts to engage over 166,000 employees in making a lasting, positive change for communities. We will fully implement new strategies for our International Labor Standards program, for our philanthropic investments, and for the next generation of environmental targets. We are also focused on making strides to align our work with the priorities of markets around the world.

We recognize that there is much work to be done, and we believe we can increase the impact of our efforts on both our business and society. Through the dedication and inspiration of Disney employees around the world, we are confident that together we can inspire kids and families everywhere to create a brighter and happier tomorrow.

We use our Disney magic to help bring happiness and laughter to kids who need it most.



(Photo by M. Booth/IFAW)

GRI Index

This Index follows G3.1 guidelines and includes sector specific media disclosures. The Global Reporting Initiative's G3 Sustainability Reporting Guidelines provide a comprehensive set of indicators covering the economic, environmental and ethical impacts of a company's performance. These reporting principles have informed our reporting since 2008.

For fiscal year 2012, we have self-assessed ourselves as a **B reporter** according to GRI-defined application levels.

Background on the GRI

The GRI Reporting Framework is intended to serve as a generally accepted framework for reporting on an organization's economic, environmental, and social performance. It is designed for use by organizations of any size, sector, or location. It takes into account the practical considerations faced by a diverse range of organizations—from small enterprises to those with extensive and geographically dispersed operations. The GRI Reporting Framework contains general and sector-specific content that has been agreed upon by a wide range of stakeholders around the world to be generally applicable for reporting an organization's sustainability performance.³⁶

DWCF provides funding to organizations that respond to conservation emergencies or disasters. In 2012, Disney support helped the International Fund for Animal Welfare to rescue stranded dolphins in Cape Cod and return them to the ocean.

³⁶GRI Reporting Framework text is from the G3.1 Sustainability Reporting Guidelines (www.globalreporting.org).

GRI Reporting Level

Symbol

Explanation

Fully Reported



Information is fully reported with respect to available information and current reporting systems

Partially Reported



Information is partially reported with respect to available information and current reporting systems

Not Reported



Information is not reported due to lack of access to data, materiality or applicability

Disclosure

Status

Location/Direct Answer

1. Strategy and Analysis

1.1 Statement from the most senior decision maker



Location:
CEO & CFO letters (p. 6, 7)

1.2 Description of key impacts, risks, and opportunities



Location:
CEO & CFO letters (p. 6, 7), Citizenship at Disney (p. 8), Stakeholder Engagement Table (p. 98), Looking Ahead (p. 105), [Form 10-K](#) (p. 1-22)

2. Organizational Profile

2.1 Name of the organization



Location:
Introduction (p. 5)

2.2 Primary brands, products, and/or services



Location:
[Form 10-K](#) (p. 1-16)

2.3 Operational structure



Location:
[Form 10-K](#) (p. 1-16)

2.4 Location of organization's headquarters



Direct Answer:
500 S. Buena Vista St., Burbank, CA 91521 USA

2.5 Countries in operation



Location:
[Form 10-K](#) (p. 1-16), [Disney Around The World](#) (web)

2.6 Nature of ownership



Location:
[Form 10-K](#) (p. 1, 26)

Additional Information:

We are a widely publicly-owned company with diverse shareholders.




2.7 Markets served



Location:
[Form 10-K](#) (p. 1-16)

Additional Information:

In our [Form 10-K](#), we provide information about the markets we serve by business segment.

Disclosure	Status	Location/Direct Answer
2.8 Scale of the organization		<p>Location: Introduction (p. 5), This Report (p. 10), Form 10-K (p. 1-16)</p> <p>Additional Information: In our Form 10-K, we break down our revenues by source; the breakdown of circulation of audience figures is not applicable to The Walt Disney Company as a whole.</p>
2.9 Significant changes regarding size, structure, or ownership		<p>Location: Form 10-K (p. 1-16)</p>
2.10 Awards received		<p>Recognition:</p> <ul style="list-style-type: none"> • Fortune's Most Admired Companies (2012): #13 overall, #6 for "social responsibility," #1 in Entertainment industry • Reputation Institute Reptrak Global 100 (2012): #3 overall, #1 for citizenship • Human Rights Campaign 2012 Corporate Equality Index – 100% Rating • Diversity Inc. Top 50 Companies for Diversity (2012) – among "25 noteworthy companies" • Corporate Responsibility Magazine 100 Best Corporate Citizens (2012) – #41 • Maplecroft Climate Innovation Index – Ranked 67/100 in Leaders Index • Newsweek Green Rankings (2011) – #23 out of U.S. top 500; #68 out of Global 500 • Dow Jones Sustainability Index (2012) – North America Index • FTSE4GOOD Index (2012) <p>Awards:</p> <ul style="list-style-type: none"> • "Green Management Award" – Gold Award (Large Corporation) in Hong Kong Green Awards 2011 • "Green Purcha\$e Award" – Gold Award (Large Corporation) in Hong Kong Green Awards 2011 • CAPITAL Outstanding Green Excellence Awards 2011 • Disney Hollywood Hotel was recognized as one of the top three organizations that reduced the most amount of energy in Energywi\$e Label under the Hong Kong Award for Environmental Excellence • Gold Award at Hong Kong International Airport Environmental Responsible Retail Recognition Scheme • 2012 Magnum Opus Award for Excellence in Corporate Communications: Best CSR/Green series or article – Silver: "Special care for a special gorilla," Eyes & Ears, January 27, 2011 • 2012 PR CSR Award for Volunteer Program Team ESPN, Rise Up – Give Back! • 2011 Beacon Award: ESPN Veterans Week Programming, America's Heroes: A Salute to Our Veterans – ESPN, Inc.

3. Report Parameters

Report Profile

3.1 Reporting period



Direct Answer:

The policies, programs, and performance data presented in this report are for the Company's 2012 fiscal year, ended September 29, 2012, unless otherwise noted. Instances where information is relevant only to a single or a few segments, or has a different time frame than the fiscal year, will be distinguished.

3.2 Date of most recent previous report



Direct Answer:

Our most recent reports include a 2010 Corporate Citizenship Report, a 2011 Data Update, and the 2011 performance information in the 2012 Citizenship Targets document.

Download additional and past reports at our [Report Archive](#). Please also visit our [citizenship website](#) throughout the year for ongoing updates.

3.3 Reporting cycle



Direct Answer:

Starting with this 2012 Performance Summary, we will report on our performance on an annual basis.

3.4 Contact point for questions



Location:

[Contact Us](#), [Corporate Citizenship website](#)

Report Scope and Boundary

3.5 Process for defining report content



Location:

This Report (p. 10)

Additional Information:

Any forward-looking statements in this report are based on current understanding of the operational and financial environment and are subject to changes in business strategies and uncertainties in the market. Please note that we do not anticipate updating particular portions of this report, which should therefore be understood to speak only as of its publication date.

For convenience, this report often refers generally to "The Walt Disney Company" or "Disney" or "the Company," or even "we" and "us." In fact, our various businesses are conducted by a number of separate corporations and other legal entities that are owned, directly or indirectly, wholly or in part, by the parent public company, known as The Walt Disney Company. Accordingly, use of the names and terms in this report may refer broadly to practices or other matters relevant to many of our businesses and is not intended to suggest that they, or any combination of them, operate as a single entity. Moreover, since this is an integrated report, references to "The Walt Disney Company," "the Company," "Disney," "we," or "us" may mean, as appropriate, either The Walt Disney Company and/or one or more of its affiliated companies.

In addition, when we reference "Disney-branded" products or businesses we mean to limit the meaning to only those products which fall under the Disney brand.









Fully Reported



Partially Reported



Not Reported

Disclosure	Status	Location/Direct Answer
3.6 Boundary of the report		<p><u>Additional Information:</u> Our report covers The Walt Disney Company and its affiliated companies. We specifically notate instances in which the scope is different.</p>
3.7 Limitations on the scope or boundary of the report		<p><u>Location:</u> This Report (p. 10)</p> <p><u>Additional Information:</u> This report is focused on our performance against our citizenship targets. As a result, this report does not address everything we do, have done or will do, but represents many important areas of ongoing priority and focus.</p>
3.8 Joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities		<p><u>Location:</u> See footnotes of specific charts and tables for relevant information in this report.</p>
3.9 Data measurement techniques		<p><u>Location:</u> See footnotes of specific charts and tables for relevant information in this report.</p> <p><u>Additional Information:</u> The Walt Disney Company released a list of 58 corporate citizenship targets in March 2012. During the development of these targets, a team of internal and external partners determined how to best set, measure and achieve these targets, including the documentation of the definition of each target, and the processes and procedures related to the collection of data with respect to each target. In addition, as appropriate, we look to the Global Reporting Initiative (GRI) for guidance on reporting principles and guidelines for accuracy to allow for a clear understanding of our disclosures.</p> <p>Documenting the components of each target benefits us in two ways:</p> <ul style="list-style-type: none"> • Internally, we will have consistent, comparable reported performance against each target as a result of the agreed upon target definitions, data requirements, and performance tracking methodology. • Externally, third-party stakeholders will have a clear definition of each target and understanding of our disclosures through the use of common GRI terminology <p>We are committed to the continued improvement, accuracy, and sophistication of our citizenship reporting. To this end, in developing the target documentation, we identified some areas for improvement. For example, we did not have a consistent process to validate third-party vendor data. Since the measurement of performance against many of our targets is based on data that is provided by external partners, we see this as an important area of focus for 2013. In addition, despite the fact that our citizenship reporting is currently voluntary, we desire to implement best practices to confirm the integrity of data being reported. As a result, we are evaluating a data certification process to assess and confirm the consistency, accuracy, and completeness of the data used to measure progress against our targets.</p>
3.10 Effect of any restatements of information provided in earlier reports		<p><u>Location:</u> See footnotes of specific charts and tables for relevant information in this report.</p>
3.11 Significant changes in the scope, boundary, or measurement methods		<p><u>Location:</u> See footnotes of specific charts and tables for relevant information in this report.</p>

Disclosure	Status	Location/Direct Answer
GRI Content Index		
3.12 GRI Content Index	✓	Location: GRI Index
Assurance		
3.13 External assurance	✓	Location: Pre-assurance target (p. 73), Response to indicator 3.9 (p. 111)
4. Governance, Commitments and Engagement		
Governance		
4.1 Governance structure	✓	Location: Corporate Governance Website, Form 10-K (p. 1-16) Additional Information: In addition, all of our broadcast and cable properties have internal codes of conduct and standards and practices to ensure that the content we create reflects our citizenship values. These standards and practices cover guidance and rules around the depiction of themes and issues such as diversity, animals, healthy living, drugs, smoking, and alcohol and many others.
4.2 Indicate whether chairperson is also an executive officer	✓	Location: Proxy Statement (p. 7)
4.3 Board structure	✓	Location: Proxy Statement (p. 13)
4.4 Mechanisms for shareholders and employees to provide recommendations to the highest governance body	✓	Location: Proxy Statement (p. 14), Corporate Governance website
4.5 Linkage between compensation for members of the Board, senior managers, and executives, and the organization's performance	✓	Location: Proxy Statement (p. 1-6; 16-50)
4.6 Processes to avoid conflicts of interest at the Board	✓	Location: Corporate Governance Website, Standards of Business Conduct (p. 18-20)
4.7 Expertise of Board members on sustainability topics (including gender and diversity aspects)	✓	Location: Corporate Governance Website
Fully Reported Partially Reported Not Reported		

Disclosure

Status

Location/Direct Answer

4.8 Statements of mission, codes of conduct, and principles



Location:

Citizenship at Disney (p. 8-9), Smoking in film target (p. 45), [Standards of Business Conduct](#) (p. 44-46), [Code of Conduct for Manufacturers](#) (web), [Policies and Approaches](#) (web)

Additional Information:

Throughout the report, we detail the different principles and guidelines that frame our approach to corporate citizenship.

In addition, all of our broadcast and cable properties have internal codes of conduct and standards and practices to ensure that the content we create reflects our citizenship values. These standards and practices cover guidance and rules around the depiction of themes and issues such as diversity, animals, healthy living, drugs, smoking, and alcohol and many others.

4.9 Procedures of the Board for overseeing the organization's management of sustainability performance



Direct Answer:

Citizenship efforts at Disney are led by President and Chief Executive Officer Bob Iger and Senior Executive Vice President and Chief Financial Officer Jay Rasulo. The Company's Citizenship group is led by Senior Vice President, Corporate Citizenship Leslie Goodman. Our organizational structure, reporting to the CFO, reinforces our belief that corporate citizenship is central to the business and brings long-term value to our shareholders.

Certain areas of the citizenship function – including community engagement, strategic philanthropy, environment and conservation, and international labor standards – have dedicated staff developing strategy, managing compliance and overseeing stakeholder engagement. In addition, an insights and integration team reporting to the Senior Vice President, Corporate Citizenship manages reporting, commitments, and metrics, and analyzes emerging issues, trends, and policy for the Company.

Citizenship efforts and performance are reported to the Disney Board of Directors on a periodic basis, with additional updates upon request or when business needs require it. Additionally, the Audit Committee of the Board regularly receives reports on the Company's International Labor Standards program.

Our executives and business unit leaders are committed to the highest level of corporate citizenship. Many executives serve on internal councils that advise the Company on corporate citizenship. For example, the Environmental Council, established in 2007, was comprised of senior representatives from across our many businesses with responsibility for meeting our environmental goals. A newly formed Citizenship Council met for the first time in 2012 and plans to continue to meet on a quarterly basis. These councils oversee operations and provide guidance, policy, and strategy to citizenship efforts.

Employees throughout the Company also share their professional and personal time to guide the Company's citizenship activities. Globally, more than 110 cast members and employees serve as Green Team leaders. VolunteARS Leadership Councils, involving approximately 180 cast members and employees, provide advice and guidance to local Disney volunteer efforts.

Disclosure

Status

Location/Direct Answer

4.10 Process of evaluating the Board's sustainability performance



Location:
[Corporate Governance Guidelines](#)

Additional Information:
See indicator 4.5 and 4.9 for additional information.

Commitments to External Initiatives

4.11 Precautionary approach



Location:
[Environmental Stewardship](#) (web)

Additional Information:
One of our key citizenship priorities is to act and create in an ethical manner and consider the consequences of our decisions on people and the planet.

4.12 External charters, principles, or other initiatives



Location:
Environmental Stewardship (p. 70), [Ethical Sourcing](#) (web)

Additional Information:
In our report we, detail relationships with external initiatives, principles, and codes. These include, but are not limited to, the World Resources Institutes GHG Protocol and core conventions of the International Labor Organization (ILO), among others.

4.13 Memberships in associations



Location:
Collaboration target (p. 75, 93), [Ethical Sourcing](#) (web), [Disney citizenship](#) (web)

Additional Information:
Our membership in associations or national/international advocacy organizations includes, but is not limited to, the following: American Red Cross, Audubon Society, BSR, Ceres, Corporate EcoForum, International Conservation Caucus Foundation, International Association of Volunteer Efforts/Global Corporate Volunteer Council, Net Impact, Sustainability 50, Sustainability Consortium, SustainAbility, and others.

In our report and on our website, we also describe our membership in a number of associations and national/international advocacy organizations.

Stakeholder Engagement

4.14 Stakeholder groups



Location:
Stakeholder Table (p. 103), [Disney citizenship](#) (web)

Additional Information:
We believe that working with external stakeholders enhances our ability to address issues and contributes solutions to some of our most important challenges. We engage with stakeholders routinely and in a variety of ways, including in-person and web-based meetings, conference calls, correspondence, working groups and workshops, conferences, and events.

In addition to the stakeholder engagement table in our report, we detail engagements with various stakeholder groups throughout the report.















Fully Reported



Partially Reported



Not Reported

Disclosure	Status	Location/Direct Answer
4.15 Stakeholder identification and selection		Location: Stakeholder Table (p. 98-103)
4.16 Approaches to stakeholder engagement		Location: Stakeholder Table (p. 98-103)
4.17 Topics and concerns raised by stakeholders		Location: Stakeholder Table (p. 98-103)
5. Economic Performance Indicators		
Economic Performance		
DMA Management Approach Disclosures: Economic		Location: Form 10-K (p. 28-52) Additional Information: Our Form 10-K outlines our Management Approach Disclosures on Economic Performance
EC1 Direct economic value generated and distributed		
EC2 Financial implications due to climate change		Location: Form 10-K (p. 19)
EC3 Coverage of the organization's defined benefit plan		Location: Form 10-K (p. 91-98)
EC4 Financial assistance from government		Direct Answer: We do not receive financial assistance from the governments of any countries with operations material to our media business.
M1 Significant funding and other support received from non-governmental sources		Direct Answer: We do not receive more than 10% of revenue from any one individual source.
Market Presence		
EC5 Standard entry-level wage by gender compared to local minimum wage		
EC6 Locally-based suppliers		
EC7 Local hiring		

Disclosure

Status

Location/Direct Answer

Indirect Economic Impacts

EC8 Infrastructure investments and services for public benefit



Location:

Philanthropy target (p. 17-18), Creativity target (p. 19), Inspire Action (p. 24-25), Volunteerism targets (p. 26-27), Children in Need target (p. 28-29)

Additional Information:

Community engagement section and targets note examples of infrastructure investments and services provided primarily for public benefit such as volunteer hours, PSAs, play spaces built, etc.

EC9 Indirect economic impacts



6. Economic Performance Indicators

DMA Management Approach
Disclosures: Environmental



Location:

Direct Emissions targets (p. 54-61), Electricity target (p. 54-61), Waste targets (p. 62-63), Ecosystems targets (p. 64), Water targets (p. 65), Product footprint target (p. 66-67), Paper targets (p. 68-70), [Environmental Stewardship](#) (web), [Environmental Policy](#) (web)

Additional Information:

We are working to reduce our environmental impact through projects big and small. From reducing our electricity consumption to investing in reforestation around the world, we are working to help protect the planet for future generations.

Materials

EN1 Materials used by weight or volume



Location:

Paper targets (p. 68-70)

Additional Information:

Our paper policy was introduced in October 2012. The paper policy focuses on the responsible sourcing and responsible use of paper in our day-to-day operations. This policy will help us better understand the amount and source of paper used throughout the Company.

EN2 Recycled input materials

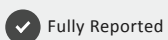


Location:

Waste targets (p. 62-63), Ecosystems targets (p. 64), Product Footprint targets (p. 70)

Additional Information:

In addition to discussion of different initiatives throughout the Company to integrate recycled materials into Disney products, our wood policy, paper policy, and product footprint targets integrate goals around recycled materials. However, due to the diversity of our businesses, we do not provide an enterprise-wide breakdown on the percentage of materials used that are recycled input materials.








Fully Reported
















Partially Reported



Not Reported

Disclosure		Status	Location/Direct Answer
Energy			
EN3	Direct primary energy consumption		<p>Location: Emissions and Electricity targets (p. 54-61), Environmental Stewardship (web)</p>
EN4	Indirect primary energy consumption		<p>Location: Emissions and Electricity targets (p. 54-61), Environmental Stewardship (web)</p>
EN5	Energy savings		<p>Location: Emissions and Electricity targets (p. 54-61), Environmental Stewardship (web)</p>
EN6	Initiatives for energy efficiency and renewable energy		<p>Location: Emissions and Electricity targets (p. 54-61), Environmental Stewardship (web)</p>
EN7	Initiatives to reduce indirect energy consumption		<p>Location: Emissions and Electricity targets (p. 61)</p> <p>Additional Information: <i>The Walt Disney Company – Travel Policy – Ground Transportation While on Business Trip</i></p> <p>When commuting while on a business trip, employees must choose one of the following alternatives:</p> <ul style="list-style-type: none"> • Mass transit or shuttle service • Carpool or public taxi • Hybrid or low-emission rental or town car service, from an approved vendor, when available and cost-effective, otherwise a standard car rental <p><i>Disney Clean Fleet Employee Shuttles</i> Disney provides a shuttle service for employees of the greater Glendale and Burbank area. The shuttles make a round trip loop around major sites including the Glendale Creative Campus, Studio Lot, and offices near Brand and Central Boulevards in Glendale. The shuttle operates on Compressed Natural Gas and also has bike racks for bicycle commuters. These shuttles help employees attend off-site business meetings without needing a vehicle to make the trip. With over 1,000 boardings per month, the shuttles help to reduce parking, congestion, and emissions in and around these Disney sites.</p>

Disclosure		Status	Location/Direct Answer								
Water											
EN8	Total water withdrawal		<p>Related Information: Water target (p. 65)</p> <p>Direct Answer: Our performance on our water targets provides description of initiatives that help to reduce our water footprint.</p>								
EN9	Effect of water withdrawal										
EN10	Water recycled and reused		<p>Related Information: Water target (p. 65)</p> <p>Direct Answer: Our performance on our water targets provides description of initiatives that help to reduce our water footprint.</p>								
Biodiversity											
EN11	Land assets in or adjacent to protected areas		<p>Location: Sustainable design target (p. 64), DWCF target (p. 64)</p>								
EN12	Impacts on biodiversity		<p>Location: Sustainable design target (p. 64), DWCF target (p. 64), Paper targets (p. 68-70) Paper policy</p>								
EN13	Habitats protected or restored		<p>Location: DWCF target (p. 64), Environmental Stewardship (web)</p>								
EN14	Strategies for biodiversity		<p>Location: Sustainable design target (p. 64), DWCF target (p. 64), Environmental Stewardship (web)</p>								
EN15	Endangered species										
Emissions, Effluents and Waste											
EN16	Greenhouse gas emissions		<p>Location: Emissions and electricity target (p. 54-61)</p> <p>Additional Information:</p> <table><tr><td>MTCO₂ed</td><td>2012</td></tr><tr><td>Direct GHG Emissions</td><td>867,353</td></tr><tr><td>Indirect GHG Emissions</td><td>784,594</td></tr><tr><td>Total GHG Emissions</td><td>1,651,948</td></tr></table>	MTCO ₂ ed	2012	Direct GHG Emissions	867,353	Indirect GHG Emissions	784,594	Total GHG Emissions	1,651,948
MTCO ₂ ed	2012										
Direct GHG Emissions	867,353										
Indirect GHG Emissions	784,594										
Total GHG Emissions	1,651,948										
EN17	Other greenhouse gas emissions		<p>Related Information: Emissions and electricity target (p. 54-61)</p>								
<div><div> Fully Reported</div><div> Partially Reported</div><div> Not Reported</div></div>											

Disclosure	Status	Location/Direct Answer
EN18 Initiatives to reduce greenhouse gas emissions		Location: Emissions and electricity target (p. 54-61), Paper policy target (p. 68-70), Environmental Stewardship (web)
EN19 Ozone-depleting substances		
EN20 NOx, SOx, and other air emissions		
EN21 Water discharge		
EN22 Weight of waste		Location: WDP&R waste target (p. 62), ESPN waste target (p. 63) Additional Information: Our ABC Studios has established an innovative set recycling and rental program. This program has helped divert waste from the landfill while generating revenue by renting set materials to others in the entertainment industry. The Set Rentals Department recycles 71.33% of all solid waste according to Los Angeles City diversion rates (for the period covering January-March 2012). ABC Studios Production Services is committed to minimizing its overall impact on the environment while encouraging and activating green initiatives and environmental standards of operation.
EN23 Significant spills		
EN24 Waste deemed hazardous under the terms of the Basel Convention		
EN25 Impacts of discharges of water and runoff on biodiversity		
EN26 Initiatives to mitigate environmental impact		Location: Paper targets (p. 68-70)
EN27 Packaging materials		
EN28 Sanctions for non-compliance with environmental regulations		
EN29 Environmental impacts of transport		
EN30 Environmental protection expenditures		Location: DWCF target (p. 64), Environmental Stewardship (web)

Disclosure

Status

Location/Direct Answer

7. Labor Practices and Decent Work

DMA Management Approach Disclosures:
Labor PracticesLocation:[Respectful Workplaces](#) (web), [Form 10-K](#) (p. 21)

Employment

LA1 Workforce by employment type,
contract, region, and genderLocation:Diversity target (p. 82-83), [2012 Citizenship Data Update table](#) (web)Additional Information:Employees by Employment Status (Global)³⁷

Status	2012
Full-Time	108,141
Part-Time	28,146
Temporary/Seasonal	20,723
All Employees	157,010

LA2 Employee hires and turnover by age
group, gender, and regionLA3 Benefits provided to
full-time employeesLocation:[Disney Workplaces](#) (web)

Labor/Management Relations

LA4 Employees with collective
bargaining agreementsLocation:[Form 10-K](#) (p. 21)LA5 Minimum notice period regarding
significant operational changes

Occupational Health and Safety

LA6 Workforce represented in joint health
and safety committeesLA7 Rates of injury, occupational diseases,
lost days, and absenteeism, and number
of work-related fatalities

LA8 Training on serious diseases

Location:

Employee health target (p. 85-86)

LA9 Health and safety topics covered in
formal agreements with trade unions³⁷ This number includes temp/seasonal employees.

Fully Reported



Partially Reported



Not Reported

Disclosure	Status	Location/Direct Answer
Labor/Management Relations		
LA10 Training per employee per gender		<p>Location: Diversity target (p. 82-83), Career Development Target (p. 90) 2012 Citizenship Data Update table (web)</p> <p>Additional Information: We do not average our training hours by employee. We provide number of participants and total number of training hours taken.</p>
LA11 Programs for skills management and lifelong learning		<p>Location: Career development target (p. 90), Disney Careers: Working here (web)</p>
LA12 Regular performance and career development reviews, by gender		<p>Location: Career development target (p. 90)</p> <p>Additional Information: 88% of eligible staff participated in our Performance Connection performance management tool. Eligible employees only include salaried employees.</p>
Diversity and Equal Opportunity		
LA13 Composition of governance bodies		<p>Location: Diversity target (p. 82-83)</p>
LA14 Ratio of basic salary and remuneration of women to men		
8. Human Rights		
DMA Management Approach Disclosures: Human rights		<p>Location: WDP&R cultural diversity target (p. 47), Human Rights Policy (web), Standards of Business Conduct (p. 13), Form 10-K (p. 17-22), Disney Privacy Policy, Code of Conduct for Manufacturers</p> <p>Additional Information: Disclosures regarding HR1, HR2, HR3, HR4, HR6, HR7, and HR11 apply to the management and oversight of labor rights concerns within The Walt Disney Company's consumer products business. The International Labor Standards (ILS) Program oversees labor rights issues as they pertain to Disney's supply chain producing Disney-branded consumer products; therefore, our responses to these indicators address our policies, programs, and outcomes within those parameters.</p>

Disclosure

Status

Location/Direct Answer

Investment and Procurement Practices

HR1 Investment agreements that include clauses incorporating human rights concerns



Location:

ILS targets (p. 94), [International Labor Standards](#) (web)

Additional Information:

Significant Investment – All licensing agreements between The Walt Disney Company and our licensees qualify as significant investments for the purposes of the ILS Program due to the centrality of these agreements to our consumer products business.

Human Rights Clause/Screening – For the purposes of the ILS Program, a human rights clause/screening is defined as a measure of a licensee's compliance with our sourcing requirements. Licensing agreements contain clauses (quoted below) stipulating compliance with the ILS Program's requirements. These agreements are then subject to periodic assessments of compliance, thereby incorporating both a clause and screening element.

Our sourcing requirements, to which licensees are contractually bound, require that:

Licensees shall use only Facilities that comply with at least the ILS Minimum Compliance Standards (except during a period of remediation), and shall ensure that such Facilities fully comply with the Code to the extent it is commercially reasonable.

Therefore, 100% of significant investment agreements include human rights clauses/screenings.

HR2 Human rights screening of suppliers, contractors, and other business partners



Location:

ILS targets (p. 91-94)

Additional Information:

Significant Investment – All licensing agreements between The Walt Disney Company and our licensees qualify as significant investments for the purposes of the ILS Program due to the centrality of these agreements to our consumer products business.

Human Rights Clause/Screening – For the purposes of the ILS Program, a human rights clause/screening is defined as a measure of a licensee's compliance with our sourcing requirements. Licensing agreements contain clauses (quoted below) stipulating compliance with the ILS Program's requirements. These agreements are then subject to periodic assessments of compliance, thereby incorporating both a clause and screening element.

Suppliers and contractors – Classified as vendors by Disney.

100% of Disney suppliers and contractors undergo human rights screenings through contractually obligated compliance with ILS Program requirements, as outlined in HR1. Furthermore, Disney conducts audits of vendor facilities in order to measure compliance to Disney's labor standards.



Fully Reported



Partially Reported



Not Reported

Disclosure

Status

Location/Direct Answer

HR3 Training on human rights



Location:

ILS training target (p. 93)

Additional Information:

We do not formally track or assess training outcomes or number of hours logged. Officially, we report the following: ILS has conducted five one-hour global training sessions attended by more than 750 Disney employees to promote the goals of the program and to explain these recent program changes. That training session is now available on-demand as an interactive webinar that is available to all Disney Consumer Products cast members. In addition, we continue to conduct hundreds of one-on-one education sessions with employees, licensees, vendors and agents globally to help them understand their role in promoting Disney's ILS program. Therefore, excluding one-on-one education sessions with employees, licensees, vendors, and agents, which are not formally tracked, the total hours of employee training on policies and procedures concerning aspects of human rights amount to approximately 750 hours of training time.

Non-discrimination

HR4 Incidents of discrimination



Location:

[2012 Citizenship Data Update table](#) (web)

Freedom of Association and Collective Bargaining

HR5 Freedom of association and collective bargaining



Location:

[2012 Citizenship Data Update table](#) (web)

Additional Information:

We report on the percentage of facilities in which the right to exercise freedom of association and collective bargaining may be at significant risk but do not identify the operations in additional detail.

Child Labor

HR6 Child labor



Location:

[2012 Citizenship Data Update table](#) (web), [International Labor Standards](#) (web), [Policy on Uzbek cotton](#) (web)

Additional Information:

Child labor is a Minimum Compliance Standard (MCS) violation, and therefore requires immediate corrective action to address the noncompliance. Facilities with MCS violations are not permitted to produce Disney-branded products. Furthermore, Disney has participated in a pilot effort in China to remedy child labor when found.

Of 5,288 audits conducted in 2012, 554 incidents of child labor were reported, or 11% of audits. However, the majority of these violations were actually related to workers who were at or above the legal working age (typically 16-18), but where factories violated restrictions on the terms of their employment, such as work hours or the type of equipment they could use.

Disclosure

Status

Location/Direct Answer

Forced and Compulsory Labor

HR7 Forced labor



Location:

[2012 Citizenship Data Update table](#) (web), [Policy on Uzbek cotton](#) (web), [Statement on Forced Labor and Human Trafficking](#) (web)

Additional Information:

Involuntary labor is a Minimum Compliance Standard (MCS) violation, and therefore requires immediate corrective action to address the noncompliance. Facilities with MCS violations are not permitted to produce Disney-branded products.

Of the 5,288 audits conducted in 2012, 177 incidents of involuntary labor were reported, or 4% of audits. The vast majority of involuntary labor incidents concern the withholding of identification documents, withholding of wages, or negative consequences for refusing overtime work.

Security Practices

HR8 Training for security personnel



Indigenous Rights

HR9 Violations of rights of indigenous people



HR10 Human rights reviews and/or impact assessments



Location:

Human rights target (p. 77), [2012 Citizenship Update Data table](#) (web)

Additional Information:

We report that we conducted a human rights review but do not report on the percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.

HR11 Grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms



Location:

[Ethical Sourcing](#) (web)

Additional Information:

Disney addresses allegations from media and NGOs about labor rights conditions through a standard operating procedure which involves increased oversight and remediation at the facility level where allegations are confirmed. Disney reports on these allegations on the International Labor Standards [website](#). Furthermore, Disney, through a third-party civil society organization, has maintained since 2005 a worker helpline at select factories in China that allows factory workers to report labor rights violations directly. Disney, other buyers, and the factories work together to develop strategies to remedy these concerns.



Fully Reported

















Partially Reported













Not Reported

9. Product Responsibility

DMA	Management Approach Disclosure: Product responsibility		<p>Location: Responsible marketing target (p. 43), Food safety target (p. 48), Safety targets (p. 44-45; p. 48-49; p. 88-89), Nutrition guidelines targets (p. 36-39), Standards of Business Conduct (p. 5), Disney Privacy Policy, Code of Conduct for Manufacturers</p>
M2	Methodology for assessing and monitoring adherence to content creation values		<p>Location: Smoking in films target (p. 45), Console experiences target (p. 42)</p> <p>Additional Information: Our values are embedded in each of our consumer-facing brands. For each brand, we have a defined brand promise, and all businesses creating content for that brand must adhere to the standards of each brand. When outside companies (i.e., film production companies) create for our brands, they are also required to deliver against these standards, and we have contractual control to ensure such delivery. Specific businesses, notably television, also have content standards and practices.</p>
M3	Actions taken to improve adherence to content creation values		<p>Additional Information: See response to M2.</p>
M4	Actions taken to improve performance in relation to content dissemination issues		<p>Location: Online safety target (p. 44), Parental input target (p. 41), Disney online safety: kids (web), Disney Privacy Policy (web)</p> <p>Additional Information: We conduct regular reviews of our guidelines in relation to responsible marketing practices to ensure that we keep abreast of critical issues (e.g., new technology that allows our guests to interact with us in new ways). Internally, we also actively raise awareness of the guidelines and the need for compliance.</p>
M5	Number and nature of responses related to content dissemination		<p>Location: Disney online safety: kids (web), Disney Privacy Policy (web)</p> <p>Additional Information: Feedback can take many forms: letters, emails, social media, etc. We view feedback as a key means of informing us of what we are doing right and what we are doing wrong. All formal complaints receive some form of acknowledgment and response, especially if it is related to younger audiences.</p>
M6	Methods to interact with audiences and results		<p>Location: Parental input target (p. 41)</p> <p>Additional Information: Our relationship with our audiences is key to our success; we do our utmost to make sure we are listening to the interests and concerns of our audiences.</p> <p>We interact with audiences in multiple ways ranging from direct feedback (focus groups, user panels, quantitative questionnaire studies) to indirect feedback from social media, consumer reviews, critical reviews, etc.</p>

Disclosure	Status	Location/Direct Answer
PR1 Health and safety impacts along life cycle		<p>Location: Product footprint target (p. 66-67), ERI target (p. 66)</p> <p>Additional Information: We do not report on the percentage of significant products and services categories subject to life cycle stage impact assessments.</p>
PR2 Noncompliance with health and safety standards and regulations		<p>Direct Answer: We track incidents of noncompliance by our vendors and licensees, but do not itemize them here.</p>
Product and Service Labeling		
PR3 Product information		<p>Location: Paper policy (web)</p>
PR4 Noncompliance with product and service information standards		
PR5 Customer satisfaction		<p>Direct Answer: The guest relations/services of our consumer products group prepares a weekly “Voice of the Guest” for executives. This report is a compilation of several different surveys and monitoring activity, including: exit surveys from the disneystore.com website, post-purchase surveys, product ratings by consumers, and secret shopper – both online and in-store. Additionally, ad hoc guest comments are monitored and reported from emails, blogs, etc.</p>
Product and Service Labeling		
PR6 Fundraising and marketing communications standards		<p>Location: Parental input target (p. 41), Responsible marketing target (p. 43), Healthy living targets (p. 36-39)</p>
PR7 Noncompliance with marketing communications standards		<p>Location: Parental input target (p. 41), Responsible marketing target (p. 43), Healthy living targets (p. 36-39)</p> <p>Additional Information: Due to the low number of known breaches of regulations and voluntary codes, we do not currently have a means of auditing the total number of incidents and outcomes.</p>
M7 Actions taken to empower audiences through media literacy skills development and results obtained		<p>Location: Online safety target (p. 45), Creativity target (p. 19), Recognize kids target (p. 40), Cultural relevancy target (p. 47)</p>
 Fully Reported  Partially Reported  Not Reported		

Disclosure	Status	Location/Direct Answer
Customer Privacy		
PR8 Complaints regarding customer privacy		<p>Location: Privacy Policy (web), Standards of Business Conduct</p> <p>Additional Information: We do not report total number of complaints but we do take customer privacy data seriously.</p>
Compliance		
PR9 Sanctions for noncompliance with regulations concerning the provision and use of products and services		
10. Society		
Community		
DMA Management Approach Disclosure: Society		<p>Location: Participation in the Formulation of Public Policy, Standards of Business Conduct</p>
SO1 Implemented local community engagement, impact assessments, and development programs		<p>Location: Community engagement targets (p. 14), Community engagement (web)</p>
Corruption		
SO2 Programs/business units analyzed for risks related to corruption		<p>Direct Answer: While we do not report the percentage and total number of business units, we analyze where we have material risks to our business for corruption.</p>
SO3 Anti-corruption training		<p>Location: Standards of Business Conduct (p. 37)</p> <p>Additional Information: We do not report on the percentage of employees training in anti-corruption policies and procedures, but further information on our anti-corruption policies and procedures are outlined in our Standards of Business Conduct expected to be followed by all employees.</p>
SO4 Actions taken in response to incidents of corruption		

Disclosure		Status	Location/Direct Answer
Public Policy			
SO5	Public policy positions and lobbying		<u>Location:</u> Participation in the Formulation of Public Policy (web)
SO6	Contributions to political parties, politicians, and related institutions		<u>Location:</u> Participation in the Formulation of Public Policy (web)
Anti-Competitive Behavior			
SO7	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		
Compliance			
SO8	Sanctions for noncompliance with regulations		
<p>To learn more about citizenship at Disney please visit www.thewaltdisneycompany.com/citizenship</p>			