

The **WALT DISNEY** Company

2021 Corporate Social Responsibility Report

EXECUTIVE SUMMARY



Letter From Our Chief Executive Officer



BOB CHAPEK
CHIEF EXECUTIVE OFFICER,
THE WALT DISNEY COMPANY

At The Walt Disney Company, we strive to **inspire a better world through the power of stories**. We aim to tell stories that mean something to people—stories that illuminate the world around us, spark hope, and bring people closer together. Making a positive difference in our world is part of our DNA as storytellers, and it also guides how we conduct ourselves. We are working together to grow the positive impact we have as a Company—especially in areas where we are uniquely positioned to make a lasting difference. This letter and our [2021 CSR Report](#) are dedicated to sharing the actions we are taking in our operations and in our communities to address the critical issues facing our planet and fellow human beings.

We embrace a world of belonging through our continuing efforts to promote Diversity, Equity & Inclusion in our workforce and beyond. We believe that greater representation and diversity of thought and

experience make us a stronger, more capable, and creative company. To this end, over the past year we took a number of important steps in this area, ranging from implementing new content inclusion standards, to creating platforms where employees and cast members can express themselves and share their personal experiences with others. To enhance transparency and accountability, we expanded reporting of workforce diversity through our [Diversity Dashboard](#). This commitment to diversity is reflected in our Board of Directors as well, with 7 of our 11 Directors representing racial/ethnic or gender diversity, including our Chairman and all four of our committee chairs. This year we also directed more than 50% of the Company's annual charitable giving to programs serving underrepresented communities, translating to over \$150 million.

We support a world in balance through our environmental sustainability efforts aimed at helping to protect the planet we all share. We're pleased to be making progress towards our ambitious 2030 Environmental Goals, which include a commitment to achieve net zero emissions for our direct operations. In April, we announced we are teaming up with local utility providers to build two new solar facilities expected to come online near Walt Disney World in 2023 that—along with existing solar sources—will power up to 40% of the resort's annual electricity needs. And we are working diligently towards defining a science-based reduction goal for the Company's Scope 3 emissions by the end of 2022. We also remain committed to saving wildlife and protecting the magic of nature by continuing to invest millions annually through our Disney Conservation Fund.

We inspire a world of hope and bring comfort and optimism to our communities. This past year we donated more than \$290 million in cash and in-kind charitable giving in support of impactful causes. And through the Disney VoluntEARS program, our employees and cast members dedicated more than 340,000 hours to helping others. Whether it's through food donations, wish granting, our children's hospital initiative,

our COVID-19 response, or other means, we will continue to do our part to help people in need and make the world a better place for everyone.

We invest in our people and recognize that our employees and cast members are the most important drivers of our success. At Disney, we offer a total rewards package with competitive pay and benefits and we seek to foster a safe, flexible, and inclusive work environment where employees are empowered to do their best work. In 2021, in response to the COVID-19 pandemic, we introduced hybrid and remote work options to allow employees whose roles do not require them to be on site to balance their professional and personal needs. Our human capital management strategy prioritizes providing opportunities for growth, development, and career mobility, and our education investment program Disney Aspire continues to offer eligible employees and cast members the opportunity to achieve their career dreams, with more than 12,500 employees enrolled at the end of 2021.

We are committed to operating responsibly at Disney. We are proud of our achievements to date and remain committed to operating our businesses in a responsible and ethical way—from journalistic integrity, to our supply chain, to guest and product safety, and so much more. This is a priority because it is the *right* thing to do, and it is what our employees and fans expect of us.

As you read through our full [2021 CSR Report](#), I hope you will share my excitement about the progress we've made, as well as the opportunities that lie ahead as we prepare to embark on our second century, while continuing to create the unique brand of magic that only Disney can.

Sincerely,

A handwritten signature in black ink that reads "Robert A. Chapek". The signature is written in a cursive, flowing style.

Our Approach

The Walt Disney Company has a longstanding commitment to Corporate Social Responsibility (CSR). In 2021, we refreshed our CSR strategy to connect it more deeply to Disney's corporate mission and commercial offerings, and to embrace our unique opportunities for leadership.

Setting Our Priorities

Our refreshed CSR strategy was informed by more than 50 interviews with internal stakeholders, including our CEO and his direct reports, executives, employees in every business and region, and our content creators. We also examined what makes us different. The combination of our expansive global reach and the widespread trust consumers have in the Disney brand, along with our unique and lasting bond with children and families, gives us the ability through our one-of-a kind storytelling to not just positively impact the present, but also inspire the future.

As a global Company operating in many industries and geographies, Disney's CSR strategy is further built around our consideration of a wide, complex, and evolving set of environmental, social, and governance (ESG) issues. In FY21, our ESG priorities continued to be informed by an evaluation of each issue's importance to our businesses and society, as well as input from our proactive engagement with internal and external stakeholders; ongoing tracking of expert and proprietary research; benchmarking of peer companies; consulting third-party studies to understand what issues are important to our consumers and other stakeholders and what they expect from Disney; and a review of relevant reporting and evaluation frameworks.

These priority ESG topics, including human capital management, diversity, equity, and inclusion, and climate change, informed the selection of our CSR focus areas, and are addressed in our full [2021 CSR report](#) as well as on our [website](#). In 2022, we plan to conduct a deeper assessment of our priority issues, including engagement with a third-party expert in this space.

Our Refreshed CSR Strategy

Our aim is to **inspire a better world through the power of stories**. Throughout our [2021 CSR Report](#), you'll read about how Disney inspires a **world of belonging** by embracing diversity, equity, and inclusion in our workplace, our storytelling, our other offerings, and our communities; a **world in balance** by taking action to help protect our planet; and a **world of hope** by supporting our communities and especially children. We also detail how we further our CSR strategy by **investing in our employees and cast members** and by always striving to **operate responsibly**.

We are activating our new CSR strategy across our offerings—including our content, experiences, and products; our operations—including how we conduct ourselves behind the scenes; and our charitable giving to maximize the impact of our efforts.



“Every company has a unique impact on the world. At Disney, creating stories and experiences that inspire and bring people together is ours. Our stories encourage children and adults to see the world in a positive light, to believe that anything is possible, and to take action to make their world a better place.”

JENNIFER COHEN
EXECUTIVE VICE PRESIDENT, CORPORATE SOCIAL
RESPONSIBILITY, THE WALT DISNEY COMPANY

Inspiring a better world through the power of stories

Focus Areas:

World of Belonging

Diversity, Equity & Inclusion

Embrace stories and storytellers who reflect the rich diversity of our world.



World in Balance

Environmental Sustainability

Help change the course of our planet's story, creating a healthier home for people and wildlife.



World of Hope

Community

Bring comfort, optimism, and joy to our communities and inspire hope, especially for children.



Foundational Pillars:

Investing in Our People

Operating Responsibly

Embedded Into Our Businesses:

Offerings

Commercially successful content, experiences, and products

Operations

Responsible business practices

Philanthropy

Grants and in-kind support aligned to our CSR goals

FY21 Highlights

World of Belonging

Diversity, Equity & Inclusion

Through authentic stories, experiences, and products, and our new [Reimagine Tomorrow](#) digital destination, we champion representation in media and entertainment, advance opportunities for diverse communities, and embrace a diverse and inclusive workplace.

DEI Transparency

Enhanced through our new [Diversity Dashboard](#)

46% of Employees

Self-identify as people of color in the U.S.¹

50% of Employees

Self-identify as women globally¹

7 of 11 Board Directors

Represent gender, racial, or ethnic diversity, including Chairman & committee chairs

HBCU Engagement

Deepened through [Disney on the Yard](#) launch

Inclusion Standards

Introduced to drive representation in front of and behind the camera

World in Balance

Environmental Sustainability

Through our 2030 Environmental Goals, we are working to reduce emissions, use and waste less, lower the impact of our products, build sustainably, and inspire communities to protect the magic of nature together.

Solar Arrays Installed

On Castaway Cay and at Hong Kong Disneyland

New Solar Announced

Including two new 75MW facilities in Florida, expected in 2023

Plastic-free Packaging

Introduced for our line of classic dolls

61% or 80,000+ Tons

Of total Company operational waste diverted from landfill

Sustainable Seafood

Made up 95% of seafood served in our U.S. parks, resorts, and cruise line²

\$120M+ Invested

In community conservation efforts since 1995

World of Hope

Community

We support communities around the world in ways only Disney can, leveraging the power of our stories and beloved characters, reach of our platforms, and employee and cast member talents.

\$290M+ Charitable Giving

Total in FY21, including \$150M+ directed to underrepresented communities³

400,000+

Disney-themed products delivered to 500+ children's hospitals in the U.S. & Canada

5 Hospital Installations

Brought Disney experiences to 4 children's hospitals in the U.S. and 1 in Singapore

320+ Tons Food Donated

By Disney Parks to support communities impacted by COVID-19 (=540,000 meals)

340,000+ Service Hours

Contributed by employees and cast members through Disney VoluntEARS

Nearly \$95M Matched

In employee giving through Matching Gifts & VoluntEARS grants in the past decade

FY21 Highlights (Continued)

Investing in Our People

Human Capital Management

Our employees are at the heart of every one of our stories and are the reason we can entertain, inform, and inspire people all over the world. We are focused on investing in our people's health, safety, and overall wellness; creating a supportive and inclusive culture; and providing opportunities for growth, development, and career mobility.

Flexibility @ Disney

Launched, which offers new hybrid and remote work options for employees not required to be on site

Health & Wellness

Benefits from 2020 carried into 2021, including enhanced benefits for those affected by COVID-19, and continued insurance premium coverage for furloughed employees

Mental Health

Prioritized through access to Talkspace, Headspace, Unmind, and Grokker

12,500+ Employees

Enrolled in Disney Aspire, our education investment and career development program, at the end of 2021

9,700+ Employees

Participated in our mentoring program in FY21

Nearly 1.5 Million

Times employees consumed content on D Learn, Disney's internal learning platform

Operating Responsibly

Governance, Oversight & Compliance

We are committed to operating our businesses with integrity and adopting governance policies that promote the thoughtful representation of our stakeholders' interests, and we are committed to conducting business in accordance with high standards of business ethics and complying with applicable laws, rules, and regulations.

Increased Board Oversight

By formalizing oversight of ESG and specific ESG priority issues

Separation of Duties

For the CEO role and the Chairman role, and appointed Susan Arnold as Chairman of the Board

Enhanced ESG Disclosures

To better serve stakeholder interests, including additional ESG metrics and an index mapping our CDP survey responses to TCFD

\$23M+ in Support

Provided through our Supply Chain Investment Program (SCIP) since 2012 to drive improvements in working conditions

Met Nutrition Guidelines

In 2021, with 100% of food & beverage advertising on media platforms oriented to kids and families meeting our Policy

COVID-19 Health & Safety

Measures continued in our Parks & Resorts to help keep guests and cast members healthy and safe

CSR & ESG Oversight

CSR and ESG at Disney are led by our Executive Vice President (EVP), Corporate Social Responsibility, Jennifer Cohen, who reports to our Chief Executive Officer and our Chief Corporate Affairs Officer. She works in close collaboration with our Chief Financial Officer, Chief Human Resources Officer, Chief Diversity Officer, Chief Compliance Officer, General Counsel, Investor Relations, our business leaders, and their respective teams. Together they work to develop strategies, policies, programs, compliance practices, and other initiatives to address our priority ESG issues and to infuse our social responsibility priorities into our offerings, operations, and philanthropic giving.

Additionally, the Board of Directors has oversight of ESG. In FY21, the Board delegated general oversight of ESG programs and reporting, such as receiving updates on environmental and sustainability policies and initiatives, to its Governance and Nominating Committee. Our EVP of CSR provides updates on ESG topics at least annually to the Governance and Nominating Committee and to the full Board as needed.

The Board also delegated oversight of specific ESG issues to certain committees. For example, in FY21, the Board delegated oversight of workforce equity matters to the Compensation Committee, and our Chief Human Resources Officer reports to the committee at least annually. In FY21, we also incorporated ESG metrics into the executive bonus plan by emphasizing diversity, equity, and inclusion, which had the highest weighting among non-financial objectives.

► [Read more about our approach to Corporate Governance in the Operating Responsibly section of our full 2021 CSR Report, and about our compensation structure in our Proxy Statement.](#)

Framework Alignment

To demonstrate where our efforts align with specific [United Nations Sustainable Development Goals \(SDGs\)](#), a collection of global goals intended to create a better and more sustainable future for all, and [Sustainability Accounting Standards Board \(SASB\)](#) indicators, a set of standards to guide the disclosure of sustainability information by companies to their investors, you will see relevant icons embedded in line in various sections throughout our [2021 CSR Report](#).

► [Read more about how our efforts align with specific SDGs and SASB indicators in our full report.](#)



Stakeholder Engagement



We maintain strong relationships with our stakeholders through open, transparent, and responsive dialogue. We work with a variety of stakeholders representing diverse perspectives—including consumers, employees, government, industry and business partners, nongovernmental and social impact organizations, shareholders, and members of the investment community—as we believe this enhances our ability to identify opportunities and find solutions to some of our most pressing challenges. Ongoing and frequent engagement with key stakeholders informs our CSR strategy by helping us to define and prioritize our ESG issues and better understand current and emerging ESG topics.

Stakeholder Group	Examples of Engagement	Objective of Engagement
Consumers	<ul style="list-style-type: none"> Consumer surveys Focus groups Fan events Social media interactions Customer service emails and calls Cause marketing campaigns 	As the world’s premier entertainment company, we have a unique opportunity to reach a wide global audience through our storytelling. Our customer engagement approach helps us utilize Disney’s unique content and experiences to better understand what our consumers expect from us and to inspire millions worldwide to show up as a force for good in our world.
Employees	<ul style="list-style-type: none"> Employee surveys and focus groups Town halls <i>Reimagine Tomorrow Conversations Series</i> focused on Diversity, Equity & Inclusion topics Employee volunteering and giving Business unit-specific initiatives (e.g., Disney Studios virtual executive coffees) 	Through a variety of outlets, we participate in a two-way responsive dialogue where we learn what our employees value, their satisfaction, concerns, knowledge, and engagement with key issues at Disney. These are also critical channels for educating and increasing the awareness among our employees about important issues such as diversity, equity, and inclusion, the environment, and more.
Government	<ul style="list-style-type: none"> Meetings with government officials Filings, letters, and other correspondence Trade associations and policy-based organizations Multi-stakeholder coalitions 	We engage actively in policy issues relevant to our businesses, both directly and through industry associations, to help shape constructive policy solutions.
Industry & Business Partners	<ul style="list-style-type: none"> Industry conferences Industry and multi-stakeholder coalitions Supplier meetings and collaborations 	Through engagement with industry leaders and suppliers, we join efforts to create large-scale, industry-wide change, as well as to learn about trends and insights related to our specific businesses.
NGOs & Social Impact Organizations	<ul style="list-style-type: none"> Signature social impact initiatives Campaigns (e.g., cause marketing, awareness campaigns) Multi-stakeholder coalitions Charitable giving Employee volunteering and giving Consultation on priority issues (e.g., climate change, human rights, diversity) 	NGOs and social impact organizations are indispensable partners addressing our world’s challenges, both globally and locally. Their expertise and on-the-ground programs enable us to reach individuals and communities that need us most. Together, we can strengthen our collective purpose. Additionally, these organizations educate us on the evolving trends regarding impact areas and/or regions.
Shareholders & Investment Community	<ul style="list-style-type: none"> Management and Board engagement Earnings announcements Annual shareholders meeting Conferences and events 	Members of management, the Board, and our Investor Relations team have a strong program of engagement with shareholders. The feedback gathered during these conversations informs the Board’s thinking, including on ESG practices and disclosures.

Charitable Giving



Through financial contributions, collaboration with nonprofit organizations, and in-kind donations, Disney brings positive, lasting change to communities around the world. Guided by our [charitable giving guidelines](#), we focus on social impact investments that align to our CSR focus areas, leverage our unique assets and expertise, and address pressing social needs. In the past decade, we have also matched nearly \$95 million in employee and cast member personal donations of money and time through our Matching Gifts program and our Disney VoluntEARS Grants.

Charitable Giving Strategy

Commitment to direct >50% of annual charitable giving to programs benefiting underrepresented communities, with a focus on:

World of Belonging

Diversity, Equity & Inclusion

Grants that advance authentic representation and increase access and opportunity in media and entertainment.

World in Balance

Environmental Sustainability

Grants that protect species and habitats and inspire kids and families to take action for wildlife and the planet.

World of Hope

Community

Grants that bring comfort, optimism, and joy to our communities and inspire hope, especially for children.

In FY21, we contributed a total of \$290+ million in cash and in-kind charitable contributions.

In FY21, successfully contributed >50% of our charitable giving to programs supporting underrepresented communities.³

Forward-Looking Statements

Certain statements in this communication may be deemed to be “forward-looking statements” within the meaning of the Federal Private Securities Litigation Reform Act of 1995, including statements regarding our plans; expectations; continuation or future execution of initiatives, programs, activities, policies, or disclosures; strategies; goals; objectives; intentions; commitments; targets and other statements that are not historical in nature. These statements are made on the basis of management’s views and assumptions regarding future events and business performance as of the time the statements are made. Management does not undertake any obligation to update these statements. Actual results may differ materially from those expressed or implied. Such differences may result from actions taken by the Company, including restructuring or strategic initiatives (including capital investments, asset acquisitions or dispositions, integration initiatives, new or expanded business lines or cessation of certain operations) or other business decisions, as well as from developments beyond the Company’s control, including:

- health concerns;
- changes in domestic and global economic conditions, competitive conditions, and consumer preferences;
- adverse weather conditions or natural disasters;
- international, regulatory, political, or military developments;
- technological developments;
- labor markets and activities; and

each such risk includes the current and future impacts of, and is amplified by, COVID-19 and related mitigation efforts. Such developments may further affect entertainment, travel, and leisure businesses generally and may, among other things, affect (or further affect, as applicable):

- demand for our products and services;
- the performance of the Company’s theatrical and home entertainment releases and other content;
- the advertising market for programming;
- construction;
- expenses of providing medical and pension benefits; and
- performance of some or all company businesses, either directly or through their impact on those who distribute our products.

Additional factors are set forth in the Company’s Annual Report on Form 10-K for the year ended October 2, 2021, under Item 1A, “Risk Factors,” Item 7, “Management’s Discussion and Analysis,” Item 1, “Business,” and subsequent reports, including, among others, quarterly reports on Form 10-Q.

Footnotes

1. As of the end of FY21.
2. Disney's definition of sustainable seafood can be found in our [2030 Environmental Goals](#) white paper. The breakdown of 95% sustainable seafood in 2021 includes: 7% Best Choice, 67% Eco-certified, 15% Good alternative, 5% Avoid, 3% FIP, and 3% Unrated.
3. Charitable giving that we report includes grants specifically directed towards historically underrepresented and protected communities, including the Asian American, Pacific Islander, Black, Hispanic, Native American/Indigenous, and LGBTQ+ communities, as well as People with Disabilities, Veterans and Women. We also include grants to organizations where a percentage of their services reach underrepresented and protected communities. If the organization spends a majority of their efforts on these communities, we count the entire grant, and if the organization does not spend a majority, we count a proration of the grant. For grants to these two types of organizations, we rely on their self-reported percentages regarding communities served. On a sample basis, we validate the percentages that we report.

The **WALT DISNEY** Company

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