2010 CORPORATE CITIZENSHIP REPORT

EXECUTIVE SUMMARY
Message from Our CEO

Dear Stakeholders:

Since becoming Chief Executive Officer of this great company five years ago, I’ve often spoken to our employees about how Disney should be admired as much for the way we do business as for the wonderful stories, characters and experiences we create.

Over the last few years, we’ve built on a long tradition of Disney corporate citizenship efforts through wide-ranging programs and policies designed to further enhance our business. We’ve associated our brands and characters with healthier foods. We’ve set for ourselves ambitious environmental goals to reduce the company’s direct impact while at the same time launching programs to encourage kids and families to care more for the planet we share. And we’re expanding charitable and volunteer programs that have long been sources of incredible pride among our employees.

We’ve also been working hard to embed corporate citizenship into all of our daily decisions and actions, guided by three core principles:

- Act and create in an ethical manner and consider the consequences of our decisions on people and the planet
- Champion the happiness and well-being of kids, parents and families in our endeavors
- Inspire kids, parents, employees and communities to make a lasting, positive change in the world

As we move forward in 2011, we’re building on these core principles by expanding efforts to track and measure our progress throughout our citizenship focus areas. In the Looking Ahead section of this report you will find a set of commitments and goals covering our areas of impact. In addition, we have a unique ability to harness imagination in a way that inspires others, improves the lives of kids and families and the communities they live in, and brings happiness, hope and laughter to those who need it most.

We believe that achieving a consistently high level of corporate citizenship fundamentally adds to shareholder value, and as such is worth every bit of time and investment we put into it.

Sincerely,

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

This document is a summary of The Walt Disney Company 2010 Corporate Citizenship Report. For additional details on any of the topics in this summary, please visit the full report at www.disney.com/citizenship2010.
Dear Stakeholders:

The Chief Financial Officer at Disney is responsible not only for the company’s finances, but also for our citizenship performance. There’s a fundamental reason for this, one that’s been core to our company since its founding: we firmly believe that our financial performance is inseparable from our performance as a corporate citizen. At Disney, citizenship is more than a set of guidelines or focus areas; it is an integral part of our businesses and our growth strategy. It drives competitive differentiation and strengthens our relationships with customers and the communities in which we operate. In order to have sustained success as a company, we must recognize this link and embed citizenship in our everyday actions and decisions. It’s good for our planet and for our people, and it makes sound business sense.

Fiscal year 2010 was a banner year for the company. We celebrated two movies that each broke the one billion dollar mark in global box office receipts (Toy Story 3 and Disney Alice in Wonderland); achieved record-breaking viewership for many of our media networks, including ESPN and Disney Channel; unveiled new attractions in our parks, resorts and cruise line; and welcomed Marvel Entertainment and social game publisher Playdom into the Disney family.

Our citizenship commitment provides both opportunities and challenges as we grow our businesses. The launch of two new cruise ships – the 4,000 passenger Disney Dream and her sister ship Disney Fantasy sailing in 2012 – is a perfect example. The Disney Dream is a marvel of craftsmanship and technological excellence and offers an incredible opportunity to continue delivering innovative guest experiences that extend our brand. As we are constantly exploring ways to reduce the environmental impact of our cruise ships, the Disney Dream showcases several environmental innovations, such as a special hull coating to increase fuel efficiency and water reuse programs that improve water efficiency.

Another way we manage the balance between environmental stewardship and business growth is through the company’s Climate Solutions Fund. This program, announced in 2010, establishes an internal price on carbon, which is levied on the emissions of our business units and incentivizes them to further reduce their impact. Disney has used these funds to invest more than $15 million in carbon offset projects around the world.

We are also working to embed the company’s corporate citizenship principles into new acquisitions. In late 2009, we acquired Marvel Entertainment along with its more than 8,000 well-known characters. Marvel, like Disney, is known for its artistic and creative excellence and the fervor of its fans. Buying Marvel extends our businesses and the scope of the creative content owned by the company. It also creates new opportunities to associate our brands and characters with positive social messages, especially those that inspire kids and families to create a positive and lasting change in their communities.

Looking ahead, we’ll be setting new commitments and metrics in core citizenship areas. We are building upon and holding ourselves accountable to these commitments, which have a dual benefit to our business and to society. As we grow, we are determined to continue championing best practices throughout our company.

We appreciate your interest in Disney and our citizenship strategy and we look forward to your feedback.

Sincerely,

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

CORPORATE INFORMATION

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 world’s largest entertainment company, Disney is made up of five business segments: Media Networks, Parks and Resorts, Studio Entertainment, Consumer Products and Interactive Media. Disney’s globally-known consumer brands include: Disney, ABC, ESPN, Pixar and Marvel. Disney is an S&P 50 company listed on the New York Stock Exchange.

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<thead>
<tr>
<th>Segment</th>
<th>Revenue</th>
<th>Operating Income/ (Loss)</th>
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<td>Media Networks</td>
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<td>Parks and Resorts</td>
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<td>Studio Entertainment</td>
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<td>Consumer Products</td>
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<tr>
<td>Interactive Media</td>
<td>$761</td>
<td>($234)</td>
</tr>
</tbody>
</table>

1All numbers are in millions of U.S. dollars.
We believe being a good corporate citizen is the right thing to do: for our consumers and guests, our employees and our businesses. It makes our Company a desirable place to work, reinforces the attractiveness of our brands and entertainment, and strengthens our bonds with families, as well as our consumers, neighbors and business associates.

Our vision as a company is simple: to deliver, with integrity, the most consistently exceptional entertainment experiences for people of all ages and interests. We hold Disney corporate citizenship to the same high standard.

Our goal is to achieve exceptional performance by embedding corporate citizenship into all of our daily decisions and actions, guided by three core principles:

- Act and create in an ethical manner and consider the consequences of our decisions on people and the planet
- Champion the happiness and well-being of kids and families in our endeavors
- Inspire kids, parents, employees and communities to make a lasting, positive change in the world

Citizenship Governance

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.

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.

Many executives serve on internal councils that advise the Company on corporate citizenship. 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. Many cast members and employees participate in working groups on key issues, such as on our Product Footprint Task Force. Globally, more than 150 cast members and employees serve as Green Team leaders. VoluntEARS Leadership Councils, involving more than 180 cast members and employees, provide advice and guidance to local Disney volunteer efforts.

Stakeholder Engagement

We believe that working with stakeholders enhances our ability to address issues. It also contributes solutions to some of our most important challenges while generating value for shareholders. We engage with stakeholders of all types and interests, striking balance between their needs and 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.

We take a broad view of potential stakeholders, including people or organizations that can affect, or be affected by, Disney. We find conversations and collaboration with stakeholder groups an effective contribution to driving business value and our citizenship approach. These organizations and individuals have helped us chart our sustainability 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 sustainability challenges. Ceres helps companies develop and engage with a formal group of stakeholders. We focused our first engagement with this stakeholder team on a draft of the Company’s 2010 Corporate Citizenship Report.
### 2010 Corporate Citizenship Highlights

#### Company Performance

Net income in 2010 increased 20% to $3.96 billion on a 5% rise in revenue to $38 billion, driven by the strength of the Company's branded content and the effective use of that content across our businesses.

#### Family Entertainment

In 2010, we continued our commitment to kids and families and our focus on encouraging positive development, making content for kids of all ages, partnering with parents and creating safe environments through our quality family entertainment experiences.

#### Inspiring Kids and Communities

- **Disney Friends for Change** reached 3 million pledges for environmental actions taken by kids across North America, Latin America and Europe, and has funded more than $2 million towards conservation and community projects in 19 countries.
- **Disney Magic of Healthy Living** launched in the U.S. with public service announcements featuring First Lady Michelle Obama and Disney Channel stars. The program funded $1 million to develop play spaces and community gardens across the country.
- **Disney's Planet Challenge** reached more than 2,000 classrooms representing all 50 states, encouraging schools to tackle project-based learning with student-led, community-based environmental projects.
- **Disney Parks & Resorts “Give a Day, Get a Disney Day” campaign** inspired 1 million people to give a day of service in exchange for a one day pass to either Walt Disney World Resort or Disneyland Resort.

#### Nature Conservation

- With the help of our guests, Disney Worldwide Conservation Fund donated $1.47 million to support scientific field study, education and local community involvement in wildlife and wild places.
- Disney invested $5 million in reforestation and forest conservation projects around the world.
- Fans of Disneynature's latest film, Oceans, helped protect more than 40,000 acres of coral reef through donations of part of the proceeds of movie ticket sales, Blu-ray/DVD sales, and a Disney Store and Disney Friends for Change promotion.

#### Environment

- In 2010, Disney officially launched our internal Climate Solutions Fund, which establishes an annual price on greenhouse gas emissions for our business units.
- We surpassed our waste reduction target ahead of schedule and are on track to meet all of our environmental targets, including those on direct and indirect greenhouse gas emissions. We established new companywide targets for product footprint and water use.
- We developed an integrated ecosystems approach to new construction that incorporates an ecosystem services assessment and sustainable design evaluation.

#### Community

- In 2010, Disney contributed more than $198 million to charitable organizations, including cash, product donations and in-kind support, such as creative resources, public service airtime, and program costs.
- Disney cast members and employees around the world donated more than 548,000 hours of volunteer service in more than 25 countries.

#### Disney Workplaces

- Disney launched a global, enterprise-wide employee engagement survey to gather employee feedback, with more than 82,000 respondents.
- We began or completed construction on three new childcare facilities in Glendale, CA (L.A.-based employees), Berkeley, CA (PIXAR), and Bristol, CT (ESPN).

#### Supply Chain

- To minimize our product footprint, Disney established medium-term targets for improving sustainable paper usage and engaging vendors on environmental improvement.
- We expanded our participation in collaborative efforts on labor standards that address systemic issues and seek to raise common standards.

#### Human Rights

We released a human rights policy statement to more clearly articulate our ongoing commitment to people around the world and to establish priorities in this area moving forward.
Family Entertainment

Kids and families are at the heart of Disney. They are our most important audience and our inspiration for new Disney entertainment and experiences. We continuously endeavor to delight and surprise our consumers and guests, and to do so in a contemporary and relevant way. Parents and caregivers are key partners in helping guide and shape our approach to entertainment for kids.

Encouraging Positive Development

Our intention in encouraging positive development is to meet kids where they are developmentally, with age-appropriate experiences that are relevant, fun, and interesting to them. Our focus on positive development comes to life on Disney Channel and Disney XD, where our programming encourages kids to express themselves, to follow their dreams, to believe in themselves and to celebrate their friends and families.

We also seek to weave the importance of diversity and inclusiveness throughout our entertainment experiences. Our television shows and movies incorporate many ethnicities, religions, geographic locales and physical and developmental differences. Our intention is to reflect and highlight the world in which today’s children are growing up.

Partnering with Parents

Parents and caregivers are an important audience that guides our thinking on developing age-appropriate children’s entertainment. We seek out dialogue with parents at our parks, at focus groups 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.

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

Promoting Healthy Lifestyles

Disney partners with parents in their quest to raise healthy, happy kids and we recognize our unique ability to help parents and kids agree on positive lifestyle choices. Our efforts to promote healthy lifestyles are a great opportunity to extend and grow the Disney brand with a purpose we can all feel good about.

Our Nutritional Guidelines, first announced in 2006, are derived from U.S. government-recommended Dietary Guidelines with the input of top child health experts. In addition to encouraging the consumption of low fat, nutritionally-dense foods, the 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 three years of age and older.

In 2010, we announced new Infant and Toddler Guidelines and achieved our portfolio balance goal for foods meeting Disney’s Nutritional Guidelines in North America. We also launched Disney Magic of Healthy Living, a national multi-media initiative to make healthy living fun for kids and families.

Creating Safe Environments

Child and family safety is of utmost importance in all of our 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. Our Standards and Practices department reviews Disney-branded television content. Disney Online offers helpful tips throughout its websites to help parents and kids safely navigate the Internet. Our approach to park safety includes nurturing our cast’s safety culture, implementing behind-the-scenes safety precautions, collaborating with stakeholders, and helping families make safe decisions.
Disney programs help kids and families take action on topics they care about, from fitness and the environment to nutrition and volunteerism.

While our programs emphasize different issues and different engagement techniques, each strives to inspire kids by:

- Focusing on the power and ingenuity of youth to make positive changes in the world
- Reinforcing kids’ actions through strategic philanthropy focused on local communities
- Providing resources and tools for kids and families through Disney online
- Building upon our global media networks, including Disney Channel, Disney XD and Radio Disney

Disney Friends for Change: Project Green

Disney Friends for Change, a cross-media movement, inspires kids and their friends to make a difference. Kids can track their collective impact and help decide how Disney donates more than $1 million annually to environmental causes. The program, which features Disney’s biggest stars including the Jonas Brothers and Selena Gomez, makes the most of Disney’s media reach and unique connection with kids and families.

Since its launch in May 2009, Disney Friends for Change has already inspired more than 2.5 million kids across the United States, Canada, Latin America and Europe to make more than 3 million pledges for environmental actions. We also donated more than $2 million to 41 eco-projects in 19 countries.

Disney’s Planet Challenge

Disney’s Planet Challenge, a project-based learning environmental competition, expanded in 2009 to schools around the United States. Disney’s Planet Challenge offers budding scientists in grades 3 through 8 the chance to use their imagination and creativity to help the planet while giving educators a new and exciting way to motivate students. The program is built around an educationally-sound curriculum that meets national and state guideline requirements.

In this first year of nationwide expansion, more than 2,000 classrooms enrolled with teams representing all 50 states. The winning entry, “Operation: Save the Quail,” came from a 6th grade class in Mediapolis, Iowa.

Disney Magic of Healthy Living

Disney Magic of Healthy Living, a national multi-media initiative designed to make healthy living fun for kids and families, premiered in September 2010. The program unleashes the creativity of Disney to provide kids and families with engaging content, useful tools and unique experiences to help make healthy lifestyles simple and fun. Disney Magic of Healthy Living teamed up with U.S. First Lady Michelle Obama and Disney stars to start a dialogue with kids about healthy living. The yearlong effort features public service announcements that offer inspiration and tips on nutrition and activity, and websites where kids and parents can learn fun and simple ideas to keep their families healthy.

Inspiring Communities

Disney encourages others to volunteer by providing inspiration, resources and incentives. Our media networks actively share messages through their own programs, such as ABC’s A Better Community campaign, and industry-wide programs, such as the iParticipate initiative designed to shine the spotlight on volunteerism through pop culture messaging and special events.

Disney Parks offered an exciting incentive in 2010 with its “Give a Day, Get a Disney Day” campaign. To celebrate the good deeds of our participating guests, Disney Parks offered each volunteer who completed an eligible volunteer project free one-day admission to a theme park at the Walt Disney World Resort or Disneyland Resort. In just over two months, Disney Parks reached its goal of inspiring 1 million guests to sign up to make a difference in their communities through the spirit of volunteerism.
Saving Habitats

Disney has invested $15.5 million since 2009 in reforestation and forest conservation projects to combat climate change, improve the livelihood of local communities and protect threatened wildlife. We joined with The Nature Conservancy, Conservation International and The Conservation Fund to manage forestry projects in Africa’s Congo basin, the Peruvian Amazon, Inner Mongolia, the lower Mississippi Valley, and the northern California coast. This investment is part of our long-term environmental commitment to achieve zero net direct greenhouse gas emissions.

The Walt Disney Studios’ label, Disneynature, is dedicated to telling compelling stories of the natural world as well as letting people know how they can make a difference for the environment. Moviegoers who went to see or purchased a DVD of Disneynature’s second film, Oceans, helped conserve more than 40,000 acres of coral reef in the Bahamas.

Animal Programs

We are committed to delivering uncompromising excellence in animal care. Our Animal Programs team participates in cooperative breeding programs with other zoological facilities, works directly in field conservation, provides animal experiences at our theme parks, and offers tours and education programs. As an accredited member of the Association of Zoos and Aquariums (AZA), we are a proud and active participant in 34 “Species Survival Plans,” AZA’s managed breeding programs.

Grants for Wildlife and Wild Places

The Disney Worldwide Conservation Fund, 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. Every year, DWCF awards grants to U.S. nonprofit organizations and their partners abroad. DWCF invites guests to support the fund through purchases and special animal experiences in our theme parks and resorts.

In 2010, DWCF granted $1.47 million to 64 nonprofit organizations working in 33 countries. Another DWCF program, Conservation Heroes, honored six citizens around the world for their tireless efforts at the local level to save wildlife, protect habitats and educate communities. In addition, DWCF’s Rapid Response Fund provided more than half a million dollars in urgent conservation support.
Disney announced a set of ambitious long-term goals in 2009 to reduce our environmental impact and inspire our employees, business associates and consumers to take action for the environment. Environmental challenges demand fundamental changes in the way society, including businesses, use natural resources, and Disney is no exception. Some of our businesses are resource intensive and require special attention to environmental considerations, such as land use at our parks or fuel for our cruise lines.

Progress toward Environmental Targets

We made further progress in 2010 integrating environmental considerations into our daily decisions and actions, as well as strengthening our commitment to conserve nature for future generations.

We are committed to lowering our direct and indirect emissions across our businesses. We strive first to reduce emissions. In fiscal year 2010, direct greenhouse gas emissions were 4.6% below the 2006 level. Electricity consumption was 6.6% below the 2006 level. In addition to operational and technical enhancements to make reductions, the Company has invested $15.5 million in offset projects globally since 2009, primarily focusing on forest conservation and reforestation. The costs of the carbon offset investments are charged back to individual business units at a rate proportional to their contribution to the Company’s overall direct emissions footprint through our internal carbon pricing program, the “Climate Solutions Fund.”

We surpassed our waste target in 2009 and sustained our performance in 2010, due to increases in recycling programs at our parks. Since 2006, we have increased our waste diversion rate from 46% to 60%.

We are developing an ecosystems management strategy for new construction projects designed to deliver a net positive impact on ecosystems. As part of this strategy, ecosystem impacts are first identified during the design-review process of new building projects. Then, habitat and restoration solutions are developed to avoid, minimize or mitigate those impacts. Finally, a set of sustainable design solutions are evaluated for potential implementation.

In 2010, we established a new medium-term target for our water goal: By the end of 2012, Water Conservation Plans (WCPs) will be adopted in each of our locations. The WCPs will provide a review of potable water use and availability, as well as conservation measures already in place and strategies for additional conservation measures.

Many Disney business units have individual environmental initiatives to address the various elements of the product lifecycle. In 2010, the Company came together to develop some common approaches and targets around our overall product footprint. We established medium-term targets regarding the sourcing of raw materials and manufacturing. Our immediate focus is on products the Company sells directly to consumers. Licensed products will be addressed in a later phase.

Disney recognizes our unique opportunity to educate and inspire diverse groups to take action for the environment, from our employees and business associates to kids, families and communities around the world. For example, Disney employee Green Teams are active in more than a dozen countries worldwide to educate colleagues, build internal awareness of our environmental goals and standards, and lead environmental events and activities at the local level. Our youth-targeted programs, Disney Friends for Change and Disney Planet Challenge, both expanded their reach in 2010 encouraging environmental action and creative problem-solving in local communities.

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<tr>
<th>Environmental Goals and Targets</th>
<th>Goal</th>
<th>Target</th>
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<tr>
<td>Achieve zero net direct greenhouse gas emissions</td>
<td>Achieve 50% of long-term goal through a combination of reductions, efficiencies and offsets by 2012</td>
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<tr>
<td>Reduce indirect greenhouse gas emissions from electricity consumption</td>
<td>Reduce electricity consumption by 10% compared to 2006 baseline in existing assets by 2013</td>
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<tr>
<td>Develop a plan to aggressively pursue renewable sources of electricity to reduce emissions from electricity</td>
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<tr>
<td>Send zero waste to landfills</td>
<td>Decrease solid waste to landfill to 50% of 2006 baseline level by 2013</td>
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<tr>
<td>Increase percentage of purchases that include post-consumer recycled material</td>
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<tr>
<td>Have a net positive impact on ecosystems</td>
<td>Develop and implement an integrated approach to design, engineering and habitat protection for all new construction projects by 2010</td>
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<tr>
<td>Increase the level of support from the Disney Worldwide Conservation Fund each year for the next 5 years</td>
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<tr>
<td>Minimize water use</td>
<td>By the end of 2012, Water Conservation Plans will be adopted to identify areas for water conservation improvement</td>
<td></td>
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<tr>
<td>Minimize product footprint</td>
<td>Disney seeks to have 100% of paper sourced for product and packaging by its non-licensed businesses be sustainable. The paper sourced will contain recycled content, be sourced from certified forests, or be of known source origin</td>
<td></td>
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<tr>
<td>In our non-licensed businesses, Disney strives to work with suppliers that are committed to environmental responsibility and are able to show improvement in environmental performance</td>
<td></td>
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<tr>
<td>Inform, empower and activate employees, business partners and consumers to take positive action for the environment</td>
<td>Targets under development</td>
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We believe being a good global citizen means using our companywide resources to make a positive change in the communities in which we live, work and do business. We collaborate with local organizations and engage the time and talent of our cast members and employees to provide inspiration and opportunities for kids and families to enhance their local communities.

**Corporate Giving**

Giving back to communities is one of our founding principles. Disney’s corporate giving supports the well-being of kids and families through charitable contributions to organizations focused on arts and creativity, volunteerism, children’s hospitals, military families, and disaster relief.

In 2010, the Company contributed more than $198 million in cash, product donations, and in-kind support to organizations and communities around the world. We hope to make a positive change in the world through our giving, whether the gifts are large or small. We plan to continue building on this legacy through more strategic and effective philanthropic programs in 2011 and beyond.

**Employee Volunteerism and Giving**

Volunteerism is an enduring part of Disney’s legacy and culture. Our cast members and employees in countries around the world consistently inspire us with their passion and commitment to give back to their local communities. Disney continues to support the community work of our cast members and employees through dedicated programs and resources.

The signature Disney VoluntEARS program provides opportunities for cast members and employees to give their time, treasures and talent back to local communities. In 2010, Disney cast members and employees gave more than 548,000 hours of volunteer service in their communities and raised or contributed more than $4.8 million for charity.

**Inspiring Communities**

Disney proudly joins together as a company to motivate and inspire communities around the world to take action. Our business units are active in engaging their guests, consumers and viewers to participate and volunteer in their own communities. See the Inspiring Kids and Communities section for more information.

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### Giving by Type of Contribution

<table>
<thead>
<tr>
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<th>2010 (U.S. dollars millions)</th>
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<tbody>
<tr>
<td>Cash</td>
<td>$44.3</td>
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<tr>
<td>Product Donations</td>
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<tr>
<td>In-Kind Support</td>
<td>$85.5</td>
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<tr>
<td>Total</td>
<td>$198.3</td>
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</table>

Product donations include estimated values for tangible items such as toys, DVDs, books and gifts. In-kind donations refer to estimated values of creative resources, public service airline and other program or event costs.
The Walt Disney Company’s values focus on the human element of our business – not only our guests, consumers and audiences, but also our employees and cast and crew members. Disney is committed to fostering safe, inclusive and respectful workplaces in all our locations, across the globe.

We value the fact that our heritage and reputation means we are held to the highest standard of quality, ethics and social responsibility. For many employees, that is the reason they chose The Walt Disney Company as an employer. And for Disney, it is how we strive to treat our cast members and employees.

Disney has more than 130,000 employees located in more than 40 countries around the world.

Working at Disney

Over the years, many individual business segments and regions have conducted employee surveys. This year, we launched the first-ever global survey in which all employees of The Walt Disney Company and affiliated companies were invited to participate in a single survey. More than 82,000 people from more than 40 countries participated in the employee survey. The survey results confirmed our Company strengths and called attention to opportunities for improvement in our work environment. Our intent is to administer the survey on a two-year cycle.

Disney-sponsored benefits are important to the well-being of our employees and cast members. We provide a comprehensive benefits package intended to attract and retain the employees and cast members who help make us one of the most admired companies in the world. More than 75,000 employees and cast members are covered under our health care plans.

We provide a wide selection of family-friendly benefits and services, some of which are unique to Disney. In addition to adoption assistance, survivor support and domestic partner benefits, Disney provides complimentary tickets to Disney-owned theme parks for employees and their eligible dependents and to screenings of Disney films.

We are expanding our childcare opportunities in our domestic sites. In the past two years, Disney opened a new childcare facility in Berkeley, CA, to serve employees of PIXAR. In addition, we opened a LEED-certified facility in Glendale, CA, in January 2011 and a new facility in Bristol, CT, for ESPN employees is scheduled to open in September 2011. Two early-childhood development centers provide Central Florida cast members with childcare options that fit their work schedules. In Burbank, California, the Disney Childcare Center has provided high-quality childcare to dependents of our employees in the Los Angeles area since 1993.

Disney also provides retirement savings and investment options to help employees and cast members plan for their financial future. More than 64,000 employees and cast members are eligible upon vesting for a Company-provided pension benefit when they retire.

Training and Development

Disney University offers a series of development courses for all levels at Disney. To support each individual’s development, the Company has invested in a global approach to learning and development called Disney Development Connection. In 2010, Disney cast members and employees participated in more than 3.2 million hours of training.

Disney’s tuition assistance program provides financial benefits for qualified courses that are educational and relate to the employee’s job duties. In 2010, Disney covered more than $8 million in tuition and related expenses for cast members and employees.

Diversity

Having a diverse workforce is critical to our business. When our employees reflect the diversity of the communities we serve, it enhances the quality of our entertainment and experiences. Encouraging a broad range of opinions, ideas and perspectives helps us drive creativity and innovation across the company.

Disney is honored to be included in Diversity Inc’s Top 50 Companies for Diversity for the past three years. This organization recognizes companies that demonstrate consistent strength in CEO commitment to workplace diversity, human capital, corporate and organizational communications and supplier diversity. Additionally, we have scored 100 percent for six consecutive years on the Human Rights Campaign Foundation’s Corporate Equality Index, which gauges workplace inclusivity.
Disney-branded consumer products inspired by our characters and other intellectual properties are sold in our theme parks and resorts, in Disney Stores and in countless retail locations around the world. Disney brands have been extended to merchandise ranging from apparel, toys and home décor to books and magazines, foods and beverages, stationery, electronics and animation art. Only a portion of these consumer products are sourced directly by or on behalf of the Company. The vast majority of Disney-branded products are manufactured and sold under licenses granted by Disney to third party licensees who obtain the right to manufacture and sell products to or through independent retail operations around the world.

Many entities around the world are interested in entering licensing and vendor relationships to produce and sell Disney-branded products, due to consumer interest for Disney’s large portfolio of valuable intellectual property. As independent businesses, these entities generally have the ability to choose the manner in which they produce their products, including determining where and in which facilities they schedule production. As a result, Disney-branded products have historically been produced by a larger number of entities and in more manufacturing facilities than is the case at many other consumer products companies. In 2010, more than 24,000 facilities were engaged to manufacture Disney-branded products.

**International Labor Standards in Licensing and Product Sourcing**

Disney created an International Labor Standards (ILS) program in 1996 to evaluate and address issues related to working conditions in facilities manufacturing Disney-branded merchandise. These facilities are not owned or controlled by Disney but are engaged by or associated with the vendors and licensees with whom we do business. The ILS program is based on our Code of Conduct for Manufacturers, which is designed to be consistent with the core conventions of the International Labour Organization (ILO).

Today our program has three main goals:

- Foster safe, inclusive and respectful workplaces wherever Disney-branded products are made
- Work cooperatively with governments, civil society organizations and other brands to make progress in addressing issues contributing to poor working conditions
- Achieve greater visibility into our business relationships in order to mitigate risk for ourselves and others, proactively identify areas of concern and develop solutions, promote sustainable practices, and support value creation

The key elements of our ILS approach include integration within our business units, education of licensees and vendors, monitoring of facilities to assess working conditions, remediation activities that encourage and promote sustainable practices, collaboration with external stakeholders, and transparency. We continue to evaluate our focus and how to make each of these elements more effective.

Highlights from 2010 include the following.

- Our Theme Parks & Resorts Merchandise sourcing groups for Walt Disney World, Disneyland and Disneyland Paris started using an integrated vendor scorecard. The goal is to assess existing vendors on labor and environmental performance along with traditional sourcing metrics. The scorecard is then used in conversations with vendors on areas for improvement.
- We collaborated with industry colleagues, including Business for Social Responsibility (BSR) and the International Licensing Industry Merchandisers’ Association (LIMA), to develop and disseminate a labor standards survey to better understand expectations of licensors and licensees.
• We reviewed approximately 4,700 audit reports covering facilities engaged in the manufacture of Disney-branded merchandise. However, the percentage of facilities which were audited remains low due to the large number of facilities that manufacture Disney-branded merchandise.
• We created an additional tool — Facility Improvement Guidelines — to provide greater clarity about specific areas for improvement in working conditions. This program is in the very early stages of training and testing.
• We joined the Global Social Compliance Program to work with other major brands and retailers to create stronger, more consistent and less duplicative practices to monitor global supply chains.
• Our new membership with SEDEX also allows us to minimize duplication of facility audits and increase facility visibility.

Product Safety

The safety of products bearing Disney brands, characters and other intellectual property is of crucial concern to us. Disney requires that licensees and manufacturers comply with all applicable legal and regulatory safety requirements and conduct safety tests by independent, certified third-party testing laboratories or equivalent procedures. Our corporate Product Integrity group, staffed with experienced engineers and safety professionals in Burbank, Orlando, London, and Hong Kong, monitors licensees’ and manufacturers’ verification of their compliance. In 2010, the group reviewed more than 60,000 test reports.

Product Footprint

In 2010, we focused on identifying areas for collaboration on reducing the environmental impact of our supply chain by using product life cycle analysis. This work resulted in medium-term targets regarding the sourcing of raw materials and manufacturing.

Human Rights

Our commitment to people has always been a central focus of the Company, from our own employees and the communities in which we operate to the consumers who enjoy our products and services and the facility workers in the consumer product supply chain. For many years, we have had programs and practices to address our commitment to people and are now formally grouping these initiatives under a broader commitment to global human rights.

As a global company with diverse businesses, we recognize our responsibility to respect human rights. In 2010, we released a human rights statement that articulates more clearly our commitment and aligns with emerging best practices for companies.

In the development of our Human Rights Policy Statement and review of areas of opportunity, we looked to the United Nations’ Universal Declaration of Human Rights, the International Labor Organization’s Declaration on the Fundamental Principles and Rights at Work, and to the ongoing work of the United Nations’ Special Representative to the Secretary General on Business and Human Rights. In addition, we proactively sought input from key external stakeholders as we developed our policy statement.
In 2010, we have made significant progress in embedding citizenship into our operations and in building results-driven programs that inspire kids and communities to make a positive difference in the world. We will keep moving forward, creating business value and delivering value to the communities around us based on the following approach:

- Act and create in an ethical manner, and consider the consequences of our decisions on people and the planet
- Champion the happiness and well-being of kids and families in our endeavors
- Inspire kids, parents, employees and communities to make a lasting, positive change in the world

One of the ways in which we are integrating citizenship tenets into our business is through the development of a set of commitments, goals and targets that address our business impacts and opportunities. We know that a process like this will take time, but we wanted to share progress with our stakeholders and invite feedback. The table below shows the first step toward this goal. Our next step is to create time-bound, forward-looking targets for each goal. Ultimately, these targets are meant to define what progress against each commitment means. We plan to include these targets in the next Corporate Citizenship report.

In addition to our focus on commitments, goals, and targets, we also intend to build on our stakeholder and employee engagement approaches, continue integrating citizenship into our operations, focus our grantmaking and philanthropy strategies, and inspire kids, families and the communities around us.

### Citizenship Commitments

<table>
<thead>
<tr>
<th>Citizenship Tenet</th>
<th>Commitment</th>
<th>Our Goal</th>
<th>Related 2010 Report Content</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Environmental Footprint</strong></td>
<td>Minimize our environmental footprint</td>
<td>Achieve zero net direct greenhouse gas emissions</td>
<td>• Climate and Energy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reduce indirect greenhouse gas emissions from electricity consumption</td>
<td>• Climate and Energy</td>
</tr>
<tr>
<td></td>
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<td>Send zero waste to landfills</td>
<td>• Waste</td>
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|                    |            | Have a net positive impact on ecosystems | • Ecosystems  
|                    |            | Minimize water use | • Water |
|                    |            | Minimize product footprint | • Product Footprint |
| **Respectful Workplaces** | Foster safe, respectful and inclusive workplaces, wherever we do business | Develop and support a diverse workforce | • Diversity |
|                    |            | Maintain safe workplaces in our owned operations | • Creating Safe Environments  
|                    |            | Support employee career development | • Employee Safety  
|                    |            | Hold Licensees and Vendors in our supply chain accountable to the standards in our Code of Conduct | • Training & Development  
|                    |            | Support programs and initiatives that address the issue of child labor within our supply chain | • International Labor Standards |
| **Strong Communities** | Utilize strategic philanthropy to make a positive change in the communities in which we live, work and do business | Build on our philanthropic legacy with programs that share our resources and talents to strengthen communities and support the well-being of kids and families | • Corporate Giving |
| **Safe Products** | Design, manufacture and operate products with safety as a top priority | Promote leading policies on product and experience safety | • Product Safety |
| **Integrated Citizenship** | Support the business through responsible governance practices | Disclose relevant corporate citizenship information in a timely manner | • About This Report  
|                    |            | Integrate corporate citizenship into the day-to-day decision making of leadership | • Citizenship at Disney – Governance  
|                    |            | Engage with our stakeholders on a regular basis | • Stakeholder Engagement |
| **Human Rights** | Respect and support international principles aimed at protecting and promoting human rights | Respect human rights within our operations | • Human Rights  
|                    |            | | • International Labor Standards  
|                    |            | | • Disney Workplaces |

### Looking Ahead
<table>
<thead>
<tr>
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</tr>
</thead>
</table>
| **CHAMPION** the happiness and well-being of kids and families in our endeavors. | **Healthier Families**
Partner with parents in their quest to raise healthy kids | Prioritize and promote nutritious foods | • Promoting Healthy Lifestyles  
• Disney Magic of Healthy Living |
| | | Inspire kids and families to be physically active and spend more time outdoors | • Disney Magic of Healthy Living |
| | | Increase access to and participation in health and wellness programs for our employees and their families | • Working at Disney – Healthy Pursuits |
| | **Parental Involvement**
Listen to, understand and respect the needs and expectations of parents and caregivers | Promote policies and programs that support parents and caregivers in the workplace | • Working at Disney – Family-Friendly Benefits |
| | | Integrate feedback from parents and caregivers into the development of our entertainment experiences | • Partnering with Parents |
| | | Provide parents and caregivers with the tools to help them make informed entertainment choices | • Partnering with Parents  
• Creating Safe Environments |
| | **Marketing to Kids**
Maintain clear and respectful guidelines for marketing to kids | Develop marketing for kids that focuses on the positive attributes of our entertainment experiences in a respectful and appropriate manner | • Partnering with Parents – Marketing |
| | **Kids Experiences**
Create safe and appropriate entertainment experiences for kids | Promote safety for kids | • Creating Safe Environments  
• Product Safety |
| | | Create age-appropriate entertainment experiences for kids | • Family Entertainment – Our Approach  
• Partnering with Parents |
| | | Reflect a diversity of cultures and backgrounds in our entertainment experiences for kids | • Family Entertainment – Our Approach |
| **INSPIRE** kids, parents, employees and communities to make a lasting, positive change in the world | **Catalyze Action**
Create opportunities for kids, parents, employees and communities to help people and the planet | Provide kids with the opportunities to build creative solutions that help communities and the planet | • Disney Friends for Change  
• Disney’s Planet Challenge  
• Disney Magic of Healthy Living |
| | | Recognize kids who make positive contributions to their environment or communities | • Disney Friends for Change  
• Disney’s Planet Challenge  
• Disney Magic of Healthy Living |
| | | Encourage volunteerism to make a meaningful difference in communities | • Inspiring Communities  
• Employee Volunteerism and Giving |
| | | Integrate corporate citizenship into the responsibilities of every Disney employee | • Citizenship at Disney – Governance  
• Citizenship at Disney – Business Integration  
• Environment – Education and Action  
• Employee Volunteerism and Giving |
| | **Bring Happiness**
Provide joy, hope and laughter to those in need | Use the power of entertainment to promote giving back | • Corporate Giving – In-kind Support  
• Club Penguin  
• Inspiring Communities  
• Disney Friends for Change |
| | | Leverage our core assets and competencies to comfort children who are less fortunate | • Corporate Giving |
| | **Encourage Creativity**
Harness the power of creativity and imagination to improve the lives of children and the communities they live in | Partner with organizations to support creativity programs and imaginative play | • Disney Friends for Change  
• Disney’s Planet Challenge  
• Disney Magic of Healthy Living |
| | | Leverage the passion and talents of Disney employees to inspire creativity in local communities | • Employee Volunteerism and Giving |
| | **Explore Nature**
Connect kids to nature to ignite their imagination and develop lifelong conservation values | Connect kids to nature through exploration and discovery | • Disney Friends for Change  
• Disney’s Planet Challenge  
• Nature Conservation |
| | | Conserve nature for future generations | • Nature Conservation  
• Climate and Energy – Climate Solutions Fund |