

## THE WALT DISNEY COMPANY

MEETING DATE	Thu, 03 Mar 2016 10:00 am	TYPE	AGM	ISSUE DATE	Fri, 19 Feb 2016
MEETING LOCATION	Auditorium Theatre of Roosevelt University, 50 East Congress Parkway, Chicago, IL 60605				
CURRENT INDICES	S&P500				
SECTOR	Cable and other pay television services				

PROPOSALS		ADVICE
<b>1a Elect Susan E. Arnold</b>	Non-Executive Director. Not considered independent because she has been on the Board for over nine years. There is insufficient independence on the Board. Therefore, Triodos oppose this resolution.	<b>Oppose</b>
<b>1b Elect John S. Chen</b>	Non-Executive Director. Not considered independent as he has been on the Board for over nine years. There is insufficient independence on the Board. Therefore, Triodos oppose this resolution.	<b>Oppose</b>
<b>1c Elect Jack Dorsey</b>	Independent Non-Executive Director.	<b>For</b>
<b>1d Elect Robert A. Iger</b>	Chairman and CEO. Combined roles at the head of the Company which Triodos does not support. There should be a clear division of responsibilities at the head of the company between the running of the board and the executive responsibility for the running of the company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal. On this basis Triodos oppose this resolution.	<b>Oppose</b>
<b>1e Elect Maria Elena Lagomasino</b>	Independent Non-Executive Director.	<b>For</b>
<b>1f Elect Fred H. Langhammer</b>	Non-Executive Director. Not considered independent as he has been on the Board for over nine years. There is insufficient independence on the Board. Therefore, Triodos oppose this resolution.	<b>Oppose</b>
<b>1g Elect Aylwin B. Lewis</b>	Non-Executive Director. Not considered independent as he has been on the Board for over nine years. There is insufficient independence on the Board. Therefore, Triodos oppose this resolution.	<b>Oppose</b>
<b>1h Elect Robert W. Matschullat</b>	Non-Executive Director. Not considered independent as he has been on the Board for over nine years. There is insufficient independence on the Board. Therefore, Triodos oppose this resolution.	<b>Oppose</b>
<b>1i Elect Mark G. Parker</b>	Non-Executive Director. Not considered independent as his brother's company received payments from Disney for screen-writing services. There is insufficient independence on the Board. Therefore, Triodos oppose this resolution.	<b>Oppose</b>
<b>1j Elect Sheryl K. Sandberg</b>	Independent Non-Executive Director.	<b>For</b>
<b>1k Elect Orin C. Smith</b>	Senior Independent Director. Not considered independent as he has served on the Board for over nine years. There is insufficient independence on the Board. Therefore, Triodos oppose this resolution.	<b>Oppose</b>
<b>2 Appoint the Auditors</b>	PricewaterhouseCoopers LLP proposed. The total non-audit fees were less than 25% of audit and audit related fees during the year under review. Non-audit fees over a three-year period were approximately 22% of audit and audit related fees. However, the current auditor has been in place for 78 years. This tenure raises concerns about the independence of the auditor. Therefore, Triodos oppose this resolution.	<b>Oppose</b>

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| <b>3</b> | <b>Advisory Vote on Executive Compensation</b><br>The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. <b>Disclosure: C-</b> Specific performance targets that determine the award of the annual bonus are disclosed, along with peer groups used for pay comparison and non-financial performance measures influencing annual bonuses. Performance targets are not the sole determinant of the annual bonus - some of the bonus is granted with no performance requirements attached - and the maximum long-term award opportunity is not limited to 200% of the base salary. Furthermore, specific performance targets are not disclosed for all long-term awards. Although severance agreements are disclosed for each NEO, these agreements are not restricted to three times salary plus target bonus, and change-in-control payments can be accelerated. The compensation rating is: CED. Based on the lack of disclosure and excessive bonuses available, it is recommended that Triodos oppose. | <b>Oppose</b> |
| <b>4</b> | <b>Amend Articles: Remove the requirement that business combinations with "Interested Persons" be approved by two-thirds of outstanding shares</b><br>The Board of Directors recommends that shareholders approve amendments to the Company's Restated Certificate of Incorporation removing the requirement that business combinations with "Interested Persons" be approved by two-thirds of outstanding shares and removing the provision relating to amendment of that requirement. Acceptable proposal.  | <b>For</b>    |
| <b>5</b> | <b>Shareholder Resolution: Simple majority voting</b><br>The proponents request that the Board take the steps necessary so that each voting requirement in the Company charter and bylaws that calls for a greater than simple majority vote be eliminated, and replaced by a requirement for a majority of the votes cast for and against applicable proposals, or a simple majority in compliance with applicable laws. Acceptable proposal. Triodos support this resolution.   | <b>For</b>    |
| <b>6</b> | <b>Shareholder Resolution: Lobbying Disclosure</b><br>The proponents would like to encourage transparency and accountability in the use of corporate funds to influence legislation and regulation both directly and indirectly. A vote in favour of this proposal is recommended. It is considered that the transparency and completeness of the Company's reporting on lobbying could be improved. The amount of shareholder funds involved appears to be sufficiently significant to warrant greater disclosure to shareholders. Moreover, it is to the benefit of the Company and its shareholders to be open about lobbying activities and so avoid any suspicion (and the damage that may cause to the Company's reputation) that the Company may be using shareholders' funds in an inappropriate way to gain undue influence. The request for a report is considered reasonable. Acceptable proposal. Triodos support this resolution.  | <b>For</b>    |

## SUPPORTING INFORMATION FOR RESOLUTIONS

### Proposal 3 - Advisory Vote on Executive Compensation

**Disclosure: C-** Specific performance targets that determine the award of the annual bonus are disclosed, along with peer groups used for pay comparison and non-financial performance measures influencing annual bonuses.

**Balance: E-** Performance targets are not the sole determinant of the annual bonus - some of the bonus is granted with no performance requirements attached - and the maximum long-term award opportunity is not limited to 200% of the base salary. Furthermore, specific performance targets are not disclosed for all long-term awards.

**Contract: D-** Although severance agreements are disclosed for each NEO, these agreements are not restricted to three times salary plus target bonus, and change-in-control payments can be accelerated.

### Proposal 4 - Amend Articles: Remove the requirement that business combinations with "Interested Persons" be approved by two-thirds of outstanding shares

These provisions were designed to protect minority shareholders in an instance in which a party seeks to acquire the Company or its assets through the open market accumulation of shares. Taking into account evolving governance practices and the protections afforded by existing law, the Board of Directors has determined that the protections of

Articles VII and VIII are no longer necessary. The Board noted that shareholders, in votes at other companies and in our conversations with them, have expressed disapproval of supermajority provisions for business combinations. True majority voting is generally considered preferable to supermajority voting in that all shareholders have more equal voting representation. However, it would have been preferable if the Company had consulted its own shareholders rather than relying on shareholder feedback from other companies in arriving at its position.

**Proposal 5 - Shareholder Resolution: Simple majority voting**

Th proponents have asked that if necessary this means the closest standard to a majority of the votes cast for and against such proposals consistent with applicable laws. The Board believes that the requirement of a majority of outstanding shares for amendments to the Company's Bylaws is an appropriate standard for changes to the fundamental documents of the Company. It is considered that the elimination of supermajority provisions is supported as it increases shareholder rights regarding influence over company bylaws.

**Proposal 6 - Shareholder Resolution: Lobbying Disclosure**

According to the proponents, Disney does not disclose its memberships in, or payments to, trade associations, or the portions of such amounts used for lobbying. This leaves a serious disclosure gap, as trade associations generally spend far more on lobbying than on political contributions. Transparent reporting would reveal whether company assets are being used for objectives contrary to Disney's long-term interests. The Company feels there is adequate disclosure. It also posits that the proposal calls for disclosure regarding lobbying activities that would exceed disclosure currently required by law. The Board believes that providing disclosure that is not required by others would place the Company at a strategic disadvantage in advancing shareholder interests through political activities. Additional disclosure would give adverse parties information about the Company's priorities and the methods it is using that those parties could use to dilute our efforts. While the Disney website does report on political donations, and the lobbying disclosure website does publish some information on the Company's lobbying activities, this reporting is not sufficient to meet the request in the shareholder proposal that disclosure be adequate to ensure that lobbying activities are not used for objectives contrary to the Company's long-term interests. To address the Company's concern about being placed at a strategic disadvantage by reporting more fully on its lobbying efforts, it is recommended that structured consultation with shareowners take place to determine a means of reporting this information that will not compromise the Company's strategic position.

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