

**Walt Disney Shareholder Meeting Question and Reply**  
**The National Center for Public Policy Research**  
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I'm Justin Danhof of the National Center for Public Policy Research, a free-market think-tank and company shareholder. I must have missed the memo about the watch - guess we a different status there.

You may recall last April, the CEO of Mozilla was forced from his job because he contributed \$1,000 to a 2008 referendum here in California that defined marriage a certain way. Colleagues at Mozilla held a different view and he was ousted from his job.

The story received sustained national attention because many people thought it was simply unjust for a person to lose his job for participating in civic activities.

We discovered that some corporations, such as Coca-Cola, had made a pledge to its employees that they would not be fired or be treated adversely at work because of off-the-job legal political or civic activities, but most corporations had no such protections. Employees could be fired, demoted, denied promotions or raises because their supervisor simply disagreed with their politics or their views on policy issues.

So we began approaching many CEOs and we submitted proposals to Walt Disney and over 20 other corporations asking these companies to hold a shareholder vote on whether to adopt the these protections.

Most of the corporations were very willing to give their employees this protection, and made formal changes to give their workplace policies. This includes, but is not limited to, General Electric, PepsiCo and Time Warner.

Only a very small number of companies opposed even letting their shareholders vote on the idea. Unfortunately, Disney was among them. Disney fought at the Securities and Exchange Commission to prevent us shareholders from even voting on the issue.

It is disappointing that the holder of one of the country's most iconic brands would fight to maintain the ability to terminate or penalize its employees for off-the-job private political and civic activity, and to block us shareholders from even expressing a formal, but non-binding, opinion.

Disney's Standard of Business Conduct notes that the company does not allow discrimination that is prohibited by "applicable law." Unfortunately, that's not enough. In many jurisdictions, including Florida, it is perfectly legal to terminate employees- in Florida, where many other Disney employees work. That is one reason that we asked Disney to voluntarily protect its employees from this potential discrimination.

So my question is simple: Why does Disney's management oppose granting its employees the same kind of freedom of conscience protection that General Electric, Pepsi, Time Warner have seen fit to do? And why did you spend shareholder resources asking the SEC to block shareholders from voting on a non-binding recommendation on this issue?

Bob Iger: Your proposal was studied very carefully by our team and they concluded that it really did not have- would not have had - a material impact on our existing policies. And so we made that argument to the SEC as to why the proposal should be excluded and they agreed with us. We actually have policies in place that encourage participation by our employees' in political and civic activities, so this is a subject that we're quite familiar with. And we believe the policies we have in place, on top of encouraging those activities, also define activities that would be perfectly acceptable to us- obviously ,there are some that might not be, and that is obviously subject to judgment on our part in terms of what is in the best interests of the Company. But again, the decision that was made and the recommendation we ultimately made to the SEC, was that your policy would not have

brought material change - your proposal would not have brought material change- to our policy.

Danhof: I urge you to personally take a look at the policies then, because we still find there's a big void and many of your workers are still subject to potential discrimination, nothing that would be intentional, but we've studied the issue intensely and there is a big void still there, so I would urge you personally to take a look.

Iger: Well, I will do that again- I have done that already, I will do that again. I happen to believe that we have behaved very responsibly when it comes to managing our employees and managing the relationship that we have with them and monitoring the relationship they may have outside of the workplace, making sure that it is in keeping with standards that we feel are appropriate to the Company and to its shareholders. Thank you.

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