



# STANDARDS OF BUSINESS CONDUCT - ETHICAL STANDARDS

## I. ETHICAL STANDARDS

### A. RESPONSIBILITY TO GUESTS AND CUSTOMERS

Our guests and customers expect and deserve the best.

#### QUALITY

The Walt Disney Company and its subsidiary and affiliated companies (collectively the "Company") are recognized around the world as providers of high-quality entertainment of all kinds, including films, television shows, attractions, consumer products, stores and resorts.

It is the responsibility of all Cast Members and employees who come in contact with our guests and customers to be courteous, to be knowledgeable about our products and services, and to help our guests and customers enjoy the highest quality experience we can provide. Further, all Cast Members and employees who create the products and services that we sell must always strive to do the best they can to create things we are proud to identify with the Company.

#### GUEST SAFETY

The health, safety and welfare of our guests and customers are of paramount importance to the Company. These cannot be sacrificed to financial goals, inattention or anything else. We are committed to designing, building, operating and maintaining attractions, products and facilities that meet the high standards we have set for ourselves. All of us share the responsibility for making guests feel safe and secure.

### B. RESPONSIBILITY TO CAST MEMBERS AND EMPLOYEES

Our Cast Members and employees are the cornerstone of our magic.

The Company and its management are committed to treating all Cast Members and employees with fairness, dignity and respect. We strive to provide our Cast Members and employees with a challenging, exciting and fulfilling environment.

#### PROFESSIONAL DEVELOPMENT

We are committed to having our Cast Members and employees develop and advance professionally in a manner consistent with their abilities. Although difficult decisions



may arise in hiring, evaluating performance, promoting, disciplining or terminating Cast Members and employees, the Company expects such responsibilities to be carried out with fairness, discretion and respect for privacy, as well as compassion for the individuals involved.

## **SAFETY**

The Company is committed to providing a safe working environment for all its Cast Members and employees.

## **DIVERSITY**

We seek to be multicultural, tapping the unique talents and potential of every member of our diverse work force. Our goals are to:

Attract and sustain a work force that reflects our guests and customers, business partners, shareholders, labor markets and communities in which we do business; and Maintain a workplace that reflects open opportunity, where everyone is advantaged by their potential and no one is disadvantaged by their belonging to a particular group. We are committed to these goals for their own sake, but we also believe that diversity is the best way to develop superior products and services.

## **TEAMWORK AND COMMUNICATIONS**

We are committed to providing open, free and effective channels of communication among Cast Members and employees, and between Cast Members, employees and the Company's management. Not only does open communications foster teamwork and facilitate a healthy working environment, but such free and open channels, both within departments and divisions, as well as between divisions, promote synergy and enable the Company as a whole to realize greater potential than the sum of its individual businesses.

## **RESPECT FOR THE INDIVIDUAL**

We are committed to providing a work environment in which all Cast Members and employees are afforded the respect that they deserve, free of any discrimination or harassment. No discrimination on the basis of race, religion, color, sex, sexual orientation, national origin, age, marital status, covered veteran status, disability, pregnancy, or any other basis prohibited by applicable law will be allowed. Further, the Company expects Cast Members and employees to treat each other with the same dignity and respect that they expect from the Company.



## **C. RESPONSIBILITY TO THE COMPANY AND SHAREHOLDERS**

Our Company's reputation is a heritage that we must safeguard.

It is our goal to provide a reasonable return to our shareholders, and to increase the value of their investment. At the same time, we must be sure to protect the business and reputation of our Company, so that the Company can and will continue to live up to the expectations of shareholders, guests, customers, Cast Members and employees. Honest and ethical behavior in all matters relating to the business of the Company contributes significantly to achieving these goals.

## **CONFLICTS OF INTEREST**

Our business is built on public trust and confidence, and the expectation of our guests and customers that they can depend on our products and services. To ensure that we deliver our very best, we require the full and undivided dedication and efforts of all of our Cast Members and employees. Moreover, every Cast Member and employee must avoid conflicts of interest or the appearance of conflicts of interest in the performance of his or her job. Conflicts of interest or the appearance of such conflicts could also damage the Company's good name.

Generally, a conflict of interest occurs when an individual's private interest or those of his or her immediate family interferes in any way - or even appears to interfere - with the interests of the Company. A conflict of interest may also arise when a Cast Member or employee, or a member of his or her immediate family, receives improper personal benefits as a result of his or her position in the Company. Examples of conflicts of interest are set forth in the following paragraphs.

## **DOING BUSINESS, OR INFLUENCING BUSINESS RELATIONSHIPS, WITH FAMILY MEMBERS AND AFFILIATES; AND OTHER CONFLICTS**

The first set of rules deal with situations in which Cast Members or employees might wish to do business with either family members or companies in which they or their family has an interest. Cast Members or employees may not, without the approval of the Company, conduct business on behalf of the Company with a member of their immediate family<sup>1</sup>, or with any business organization in which they, or (to their knowledge) any member of their immediate family, has a direct or indirect financial interest.

Because similar concerns arise when the proposed transaction involves comparable family ties to an immediate supervisor, similar rules apply: A Supervisor with actual



knowledge may not, without the approval of the Company, allow Supervised Cast Members or employees to conduct business on behalf of the Company with a member of the Supervisor's immediate family, or with any business organization in which the Supervisor, or (to the Supervisor's knowledge) any member of the Supervisor's immediate family, has a direct or indirect financial interest.

A somewhat different test applies if Cast Members or employees are not actually doing business themselves but are in a position to influence or affect the Company's business relationships with other business organizations. In that instance, Cast Members or employees may not, without the approval of the Company, seek to influence the Company's decision to enter into, continue, or terminate a business relationship with any business organization in which they, or any member of their immediate family, have a direct or indirect material financial interest.

Cast Members or employees in a position to influence or affect the Company's business relationships with any business organization that does business, or seeks to do business, with the Company must disclose to Corporate Management Audit any direct or indirect material financial interest that they, or any member of their immediate family, have or acquire with such business organization.

Similarly, Cast Members or employees who have knowledge that a Cast Member or employee they indirectly supervise is doing business, or intending to do business, with a member of that indirect supervisor's immediate family, or with any business organization in which they, or (to their knowledge) any member of their immediate family, have a direct or indirect financial interest, must disclose the relevant information to Corporate Management Audit.

A Cast Member or employee shall not engage in any type of self-employment or employment by another to an extent that such employment interferes in any way with the performance of the Cast Member's or employee's services to the Company. No Cast Member or employee shall compete with the Company, render services to, or have a material financial interest in, a competitor of the Company.

Any Cast Member or employee with questions about a potential conflict of interest should contact the Management Audit Department or the Guideline.

<sup>1</sup> For purposes of this section the following definitions apply:

"Immediate family" members mean a spouse, parents, children, siblings and mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, as well as persons (other than household employees) who permanently reside in a person's home.





A "material financial interest" means any remunerated relationship or arrangement (e.g., as an agent, representative, employee, promoter, consultant or "finder") with a business organization, or any ownership interest (of stock, partnership interests, etc.) in excess of 5% in a publicly traded entity; or, in the case of a non-public entity, having a fair market value in excess of \$25,000, unless such interest is demonstrably not material.

A "Supervisor" is a Cast Member or employee who directly supervises any other person. A "Supervised Cast Member or employee" is a Cast Member or employee who is supervised directly by a Supervisor.

## USE OF CORPORATE INFORMATION, OPPORTUNITIES, AND ASSETS

Cast Members and employees may not use confidential Company information for their personal benefit or the benefit of others. Such information includes, but is not limited to: inside information used to trade in stock of the Company or of other companies; information about significant real estate transactions; confidential personnel information; and other confidential information such as sales and earnings figures, acquisitions or mergers, strategic business plans, major contracts, stock splits, commencement of significant litigation, the sale of an associated company, or new projects or motion pictures contemplated by the Company. Moreover, opportunities that are discovered through the use of corporate property, information, or through one's position at the Company may not be used for personal gain. If in doubt as to whether information is confidential or may be shared with others inside or outside the Company, please consult your manager, business unit head, or the Corporate Legal Department for clarification prior to sharing such information.

Company assets are property of the Company. Everyone must protect the assets of the Company and ensure that they are used appropriately and efficiently. Theft, carelessness and waste reduce the Company's profitability. Company assets should only be used for legitimate Company business.

## INTELLECTUAL PROPERTY AND PROPRIETARY INFORMATION

Cast Members and employees may have important information that is confidential (e.g. business plans and forecasts, costs, unannounced projects, etc.). Outside parties could easily benefit from such information and may attempt by various means to obtain it. Every Cast Member and employee is obliged to maintain the confidentiality of information entrusted to them by the Company. Accordingly, except as specifically authorized by management, no one shall disclose any Company proprietary information to any outside party. Unintentional disclosure of proprietary information may be just as damaging as intentional disclosure. Therefore, each individual should exercise care not to discuss confidential issues in public areas or in casual conversation. Examples of how



confidential information may be unintentionally disclosed include, but are not limited to: conversations on cellular telephones; inadvertent transmission to incorrect fax numbers; or transmission of information via the Internet, where submissions may not be secure and may potentially be viewed by others. Furthermore, the Company expects Cast Members and employees to maintain the secrecy of the Company's trade secrets and proprietary information, even if they leave the Company.

When appropriate, the Company protects its proprietary information and secures legal protection through trademarks, patents and copyrights. In the same way, the Company expects its Cast Members and employees to honor the copyrights, trademarks, patents and proprietary information of others. Examples of information which may be protected include, but are not limited to, the following: written materials, audio and video products, and computer software.

We believe our best ideas develop from the internal interaction of our Cast Members and employees. Such ideas may include, but are not limited to: creative suggestions, artwork, designs, theme park attraction concepts, game proposals, scripts, treatments, manuscripts, and songs, in whatever form. Therefore, Cast Members and employees should politely reject the submission of unsolicited ideas, as defined in Company policy, from external sources except as may be in accordance with Company policy. Further, to avoid any potential misunderstanding regarding the source of Cast Member or employee original ideas, any recipient of an unsolicited idea from outside the Company must stop reading or listening to the information being submitted, immediately forward the material to the Corporate Legal Department, and not review or retain such information, or make notes or forward such ideas to other Cast Members or employees. Adherence to this policy helps to protect the Company against unwarranted claims that an idea reviewed by the Company, or left unreviewed in Company files, is the true source of a creative proposal or property developed by the Company. Furthermore, to avoid any claim that the Company used a third party's confidential information, Cast Members and employees must contact the Corporate Legal Department for proper guidance before participating in any meeting or conversation with anyone not affiliated with the Company during which confidential information of such person or entity may be disclosed.

## **ACCURATE REPORTING**

Each individual shall report and record all information, and complete Company documents, accurately and honestly. These include, for example, time cards, reimbursable business expense requests, invoices, payroll records, safety records, business records and performance evaluations.

## **D. RESPONSIBILITY TO OTHER BUSINESSES**

Our business associates are an essential part of our team.



We expect Cast Members and employees to compete aggressively, but fairly, in each of the markets in which we operate, and to sell the Company's products and services on their quality and merit. Cast Members and employees shall not disparage competitors, mislead customers, or collect inappropriate information about competitors, customers or vendors in a manner that violates the Company's policies<sup>2</sup>. Every Cast Member and employee should deal fairly with the Company's customers, suppliers and competitors. While following the policies of the Company, we should treat other companies and their representatives as we would expect to be treated.

Certain methods of collecting information about competitors and those with whom we do business are clearly illegal (including theft, blackmail, wiretapping, bribery, trespassing, industrial espionage or receipt of stolen property). Other methods of collecting information, however, while perhaps not unlawful, are nonetheless prohibited by the Company because they are improper and wrong. They include, but are not limited to:

Misrepresenting facts, employee identity or Company affiliation; and

Asking or inducing others to disclose confidential information of a current or previous employer without the consent, knowledge or acquiescence of the employer.

While there may be standard industry practices for gathering of competitive information in some countries, employees must verify that these practices are within acceptable Company policy, if the practices appear to include any of the methods listed above.

Since no listing can be all-inclusive, anyone who receives or is offered confidential information about competitors, customers or vendors under questionable circumstances must seek guidance from his or her manager or business unit head, and the Corporate Legal Department.

We seek to foster business based on synergy, which requires the free exchange of information throughout the Company. However, Cast Members and employees who have access to confidential information disclosed to them by a business, customer or vendor should not disclose such information to others outside the Company, or even within the Company, if it would violate any confidentiality agreement between this Company and the outside party. Cast Members and employees must seek approval from appropriate management before entering into a contract or arrangement that would preclude the free exchange of information within this Company, and should accept confidential information from another company on such a basis only after appropriate written agreements have been approved by the Corporate Legal Department.

<sup>2</sup> Collecting information for newsgathering purposes is governed by other policies that are set forth in other documents. The standards in this section relate to collecting



information about competitors and businesses for purposes other than newsgathering.

## CUSTOMERS AND LICENSEES

Cast Members and employees dealing with our customers or licensees should: acquaint themselves with each customer's or licensee's policies and standards applicable to the Company's relationship. In addition, Cast Members and employees should: acquaint customers and licensees with the Company's terms and conditions governing their purchase, sale or agreement; sell Company products and services based only upon the quality and merit of those products and services; never recommend products or services that are not appropriate to customer needs; and never misrepresent the characteristics or capabilities of the products or services we offer.

Since we sell on the basis of quality, we do not want to undermine the judgment of others through gift-giving. Accordingly, no Cast Member or employee may give anyone a gift if it appears to be, or could be considered to be, an improper inducement to do business with the Company. This means that a gift should not be excessive under the circumstances, should not be offered if the nature or amount of the gift would violate the Company policies of the recipient, should not seek to bring about an act that is contrary to the interest of this Company or of the company by which the other individual is employed, should not be given in exchange for an act or service which is normally provided for free, and should not be given when the actual purpose or use of the gift is different from that which is reported or stated to others.

## VENDORS

Ethical considerations are extremely important in selecting, and in the Company's relationship with, suppliers, vendors, contractors, and consultants ("vendors"). Cast Members and employees who purchase products and services for the Company are obligated to consider primarily the Company's interests first and to buy without prejudice, seeking to obtain the maximum value for dollars spent. In addition, all Cast Members and employees are obligated to treat all vendors fairly, honestly and courteously, providing a prompt response to all who call on a legitimate business mission. No one should take unfair advantage of any vendor through manipulation, concealment, abuse of privileged information, misrepresentation of any material facts, or any other unfair practice.

Purchasing personnel have a responsibility to treat vendors fairly, to avoid unfair buying tactics or vendor favoritism, and to deliver all solicited and unsolicited vendor samples to the Company for proper disposal.

## ACCEPTANCE OF GIFTS

No Cast Member or employee may solicit any gift, or in any one calendar year accept





more than one gift – the fair market value of which may not exceed US\$75 – from any one person or entity that is doing, or seeking to do, business with, or is a competitor of, the Company. A “gift” is anything of value, and includes all tangible items, such as jewelry or art; and intangible items such as discounts, services, special privileges, advantages, benefits, rights not available to the general public, vacations, trips, use of vacation homes, paid admission to sporting events or special events, golf outings, vendor familiarization trips and use of recreational facilities, loans or other favors. In no event may any gift in the form of marketable securities or cash be accepted (other than customary circumstances such as weddings or funerals, in which case the \$75 limit applies).<sup>3</sup>

Gifts in excess of \$75 are subject to an “ordinary course of business” test. Gifts which, based on a good faith assessment by the recipient, have an aggregate fair market value of less than \$500, and which the recipient in good faith believes to be in the ordinary course of business, may be accepted from any party in any one calendar year without any notice to the Management Audit department. A gift will be considered to be in the ordinary course of business if: (a) it is of a type that is customary, considering the job duties, job title, and seniority of the person to whom the gift is offered, and (b) accepting the gift would provide a business advantage to the Company by enhancing its business relationship with the gift-giver. By way of example, a tangible item such as a watch will almost never be in the ordinary course of business, while intangible benefits, such as admission to a sporting event or an invitation to a golf outing, when accompanied by the donor, may be. Meals in the ordinary course of business are not subject to the \$500 limitation.

If a party provides any Cast Member or employee with a gift in the ordinary course of business, the fair market value of which exceeds, or may exceed, \$500 during any calendar year, he or she may either refuse or accept the gift. If the gift is accepted, within 15 days of its acceptance the recipient must notify Management Audit, which will confirm whether the gift was, in fact, within the ordinary course of business. If Management Audit determines that the gift was not in the ordinary course of business, the recipient must pay to the Company - or make a charitable donation through the Company equal to - the amount by which the fair market value of the gift exceeds \$500.

The Company recognizes that it may not be easy or, in certain circumstances, culturally appropriate, to refuse or return a gift given out of genuine generosity, so the Company has provided alternatives with respect to gifts that do not comply with this policy. Therefore, with respect to gifts not in the ordinary course of business, a Cast Member or employee may: 1) return the gift with a letter stating that it is against Company policy to accept such gifts; 2) give the gift to the Company, so that the gift can be either donated to a charity or otherwise disposed of; or 3) keep the gift and make a charitable donation, through the Company, for the amount by which the fair market value of the gift exceeds \$75. (In the case of options 2 and 3, or if none of the listed options seems appropriate for specific circumstances, Cast Members or employees should contact the Management Audit Department.) In any event, this gift policy is not intended to prohibit



reasonable gifts from those who have a genuine personal relationship with the recipient wholly apart from any business relationship.

This gift policy also applies to acceptance of a gift for the benefit of any specific group or department at the Company. Thus, for example, it is prohibited to accept a gift from a vendor for a departmental party or event – including as a prize to be distributed at the party or event. Furthermore, it is prohibited to solicit a gift from any person or entity that is doing, or seeking to do, business with the Company -- other than for charitable purposes where no employee or Cast Member receives any benefit from the gift.

3 As to receipt of any opportunity from a financial institution with which the Company does business, see “Dealing with Financial Institutions” below.

## DEALING WITH FINANCIAL INSTITUTIONS

Any Cast Member or employee who participates in a meaningful way in decisions about establishing or managing a relationship between the Company and any financial institution must avoid personally entering into any transaction with, or the receipt of any benefit or opportunity from, such financial institution (or any intermediary for such an institution) that is not generally available to other customers or clients of the institution who have similar personal business relations with the institution (e.g., checking or asset management or a mortgage). As an example, access made available by a financial institution to initial public offerings of equity in public companies may create an immediate and special benefit to the recipient, and should be evaluated with extreme care. If not generally available to other customers of the financial institution, then participation in such an initial public offering is prohibited.

The same standard applies in cases where such transactions are entered into by, or special benefits or opportunities are offered to, any member of such an employee’s or Cast Member’s immediate family<sup>4</sup>, or any business or organization in which the employee or Cast Member or any such immediate family member has a material financial interest.

## BIDS, SOLE SOURCES, AND NEGOTIATED BIDS

In general, those purchasing for the Company should solicit competitive bids in an effort to establish the worth of products and services in the marketplace and to secure the best price, quality and service in a given period. Occasionally, due to the unique nature of certain products and services, only one source may exist. In such instances, negotiation must ensure a fair and reasonable price for the quality specified and the time frame required.



## MINORITY VENDOR PURCHASES

Minority business enterprises shall have the maximum opportunity to participate in procurement activities. Minority enterprises should be evaluated fairly and in accordance with their qualifications. We are committed to having our suppliers reflect the same diversity that we seek in our work force.

## MULTIPLE RELATIONSHIPS

In the course of business, Cast Members and employees may deal with companies or individuals who have multiple relationships with the Company. Other companies may have simultaneous relationships with us as customers, vendors, competitors, licensees, distributors or partners. Although Cast Members and employees will most likely encounter only one relationship at a time, they should be aware of the possibility of multiple relationships, and avoid any potential conflicts or the appearance of improper conduct. Cast Members and employees should also treat employees of the other company in accordance with the Company guidelines established for the particular relationship. It is particularly important to be aware whenever a company you are dealing with is also a competitor, in order to avoid improper discussion of pricing, terms and conditions, costs, business plans and other Company confidential information.

4For the purpose of this section, the following definitions apply:

A "material financial interest" means any ownership interest (of stock, partnership interests, etc.) in excess of 5% in a publicly traded entity, or, in the case of a non-public entity, having a fair market value in excess of \$25,000, unless such interest is demonstrably not material.

"Immediate family" members means a spouse, parents, children and siblings, as well as persons (other than household employees) who permanently reside in a person's home.

## E. RESPONSIBILITY TO COMMUNITIES

The communities in which we operate, nationally and internationally, deserve our time, energy, participation and creativity.

## GOVERNMENT OFFICIALS

The Company, its Cast Members and employees, may deal with government officials in the course of the Company's business. It is important that the responsible Cast Members and employees be thoroughly familiar with, and comply with, laws and regulations applicable to dealing with government officials. Cast Members and employees should be aware that business practices which are acceptable in a commercial environment (e.g., meals, transportation or entertainment) may not be acceptable when dealing with



government officials. Cast Members and employees should follow Company guidelines in their relationships with government officials, and should direct questions about particular situations to the Corporate Legal Department.

## POLITICAL ACTIVITY

All Cast Members and employees are encouraged to participate as private citizens in government and the political process, unless such participation is either prohibited by other policies of the Company, or would give rise to an improper appearance of partiality. In any event, no personal contributions to any political cause, party, candidate or charity should be represented as coming from the Company.

## COMMUNITIES

Good relations with communities in which the Company resides and conducts business are essential. We are dedicated to delivering quality products and services, and to cooperating with community leaders and members for the benefit of local communities. The Company encourages all Cast Members and employees to participate in local activities that address needs of the communities in which they reside and work.

We are likewise committed to the protection of the environment and the conservation of natural resources. In addition to complying with all applicable laws ourselves, we expect the companies and contractors with whom we deal to do the same.

## INTERNATIONAL

As we expand our operations abroad, we encounter new challenges as a result of cultural differences and sometimes unfamiliar business practices. While we are bound by U.S. laws and regulations as well as Company policy, we must recognize that in many cases we are introducing our culture and methods of conducting business into different environments. When conducting business in other countries, it is imperative that we be especially sensitive to foreign legal requirements and cultural differences, and present our own culture as sensitively as possible.

The Company must be careful not to enter knowingly into relationships that, directly or indirectly, expose Cast Members and employees to undue health and safety risks, or that use child, prison or forced labor, or other similarly exploitative practices. The Company, its Cast Members and employees, should never act illegally to secure or conduct business. The Company will adhere to all applicable legal requirements, both foreign and those of the United States, such as the Foreign Corrupt Practices Act, antiboycott laws and export laws, the details of which are outlined in Section II, "Legal Standards," of this Standards of Business Conduct booklet. The Company is also responsible to meet product safety standards and to comply with import regulations, as outlined in Company policy. In addition, the Company has established separate Codes of Conduct which



set forth certain obligations of Company licensees and manufacturers of Company merchandise.