



# COMPENSATION COMMITTEE CHARTER

## CHARTER OF THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS

(As amended and restated June 2013.)

The Compensation Committee (the "Committee") is a committee of, and reports to, the Board of Directors of The Walt Disney Company (the "Board"). Through this Charter, the Board delegates certain responsibilities to the Committee to assist the Board in the fulfillment of its duties to the Company and its shareholders.

### MEMBERSHIP

The Committee shall consist of two or more directors, all of whom shall meet the independence standards set forth in The Walt Disney Company's Corporate Governance Guidelines, the listing requirements of the New York Stock Exchange, the requirements for non-employee directors in Rule 16b-3(b)(3)(i) of the rules and regulations promulgated under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), and the requirements for "outside directors" set forth in Treasury Regulation 1.162-27(e)(3). Each Committee member shall be appointed annually, subject to removal at any time by the Board. Each Committee member shall serve until his or her Committee service is terminated by the Board.

### PROCEDURES

The Committee shall hold at least four regular meetings each year, and such additional meetings as may be required. Meetings may be called by the Chair of the Committee, the Chairman of the Board or any two members of the Committee. Meetings may be held at any time, in any place and in any manner permitted by applicable law and the Bylaws of The Walt Disney Company. The presence in person or by telephone of the lesser of two members or a majority of the Committee shall constitute a quorum. The Committee may also act by unanimous written consent. Any member of the Board of Directors who is not a member of the Committee may attend any Committee meeting with the concurrence of the Committee Chair or a majority of the members of the Committee.

To the extent practicable, the meeting agenda, draft minutes from the prior meeting and supporting materials shall be provided to members of the Committee prior to each meeting to allow time for review. The Committee shall have authority to create and delegate specific tasks to such standing or ad hoc subcommittees as it may determine to be necessary or appropriate for the discharge of its responsibilities, as long as the subcommittee contains at least the minimum number of directors necessary to meet any



regulatory requirements. The results of the meetings shall be reported to the full Board.

## PURPOSES

The Committee shall have direct responsibility to:

- review and approve corporate goals and objectives relevant to the compensation of the Company's Chief Executive Officer, evaluate the performance of the Chief Executive Officer in light of those goals and objectives, and, either as a committee or together with the other independent members of the Board of Directors (as directed by the Board), determine and approve the compensation level for the Chief Executive Officer based upon this evaluation; and
- make recommendations to the Board of Directors with respect to non-Chief Executive Officer compensation, incentive-compensation plans and equity-based plans; and
- produce a report of the Committee on executive compensation as required by the Securities and Exchange Commission to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the Securities and Exchange Commission.

## RESPONSIBILITIES

To carry out these purposes, the Committee shall have the responsibilities set forth below.

- **Overall Policy:** The Committee shall conduct a periodic review of the Company's general executive compensation policies and strategies and report and make recommendations to the Board with respect thereto.
- **Executive Performance:** The Committee shall review and approve corporate goals and objectives relevant to compensation of the Chief Executive Officer, the Chief Operating Officer and/or the President and any other executive officers, and periodically evaluate their respective performances in light of such goals and objectives. The Committee shall have authority, either as a committee or acting together with the other independent members of the Board of Directors (as directed by the Board) with respect to all matters relating to compensation of the Chief Executive Officer, to determine the compensation of the Chief Executive Officer, the Chief Operating Officer and/or the President based on this evaluation.
- **Section 162(m) Executives:** The Committee shall identify, in consultation with the management of the Company, persons subject to Section 162(m) of the Internal Revenue Code and/or Section 16(b) of the Exchange Act ("162(m) Executives").
- **Executive Salaries:** Subject to the terms of any existing employment contracts, the Committee shall establish the salaries of the Chief Executive Officer, the Chief Operating Officer and/or the President and approve the salaries of (a) those persons



who report directly to the Chief Executive Officer, the Chief Operating Officer and/or the President and (b) any other executive officers.

- **Bonuses:** Subject to the terms of any existing employment contracts, the Committee shall (a) set performance targets for eligibility for bonuses, in the case of 162(m) Executives, and (b) approve bonus awards, including any equity-based bonus awards, to 162(m) Executives and all other eligible executive officers.
- **Other Incentives, Benefits and Plans:**
  - The Committee shall conduct a periodic review of the Company's benefit programs, individually and in the aggregate, for the Chief Executive Officer, the Chief Operating Officer and/or the President and all other executive officers.
  - The Committee shall review and approve all grants of equity-based compensation to executive officers.
  - The Committee shall review, approve, amend, and/or make recommendations to the Board relating to (i) all incentive, performance-based and equity-based plans and (ii) such other compensation, benefit, pension or welfare plans or programs as may be submitted to the Committee by the Chief Executive Officer, the Chief Operating Officer and/or the President (all of the foregoing being referred to collectively as "Plans").
- **Contracts:** The Committee shall review and approve employment contracts, or compensation arrangements, for each of the following:
  - Corporate officers who are members of the Board, regardless of salary;
  - All executive officers, and the head(s) (chairman and/or president) of each division or subsidiary reporting to the Company's Chief Executive Officer, Chief Operating Officer and/or President, regardless of salary; and
  - such other employees of the Company and its subsidiaries as the Committee shall determine from time to time.
- **Annual Report:** The Committee shall prepare an annual report on executive compensation for inclusion in the Company's annual meeting proxy statement, in accordance with applicable rules and regulations.
- **Additional Assignments:** The Committee shall perform such other functions as the Board may from time to time assign to the Committee.

## AUTHORITY

The Committee shall be given the resources and assistance necessary to discharge its responsibilities, including unrestricted access to Company personnel and documents



and funding, as determined by the Committee, for reasonable compensation for any advisers retained by the Committee. The Committee shall also have the authority in its sole discretion, to retain or obtain the advice of a compensation consultant, independent legal counsel or such other advisers as it deems necessary or appropriate. The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, independent legal counsel or other adviser retained by it. In selecting a compensation consultant, legal counsel or other adviser, the Committee shall consider all factors relevant to that person's independence from management, including those required by the Corporate Governance Standards of the New York Stock Exchange, but the Committee may, subject to whatever policies it may adopt, exercise its discretion as to whether a consultant, counsel or adviser needs to be independent.

## **COMPENSATION COMMITTEE CHARTER**

The Committee shall review this Charter periodically for adequacy and recommend to the Board any necessary changes.

## **ANNUAL PERFORMANCE REVIEW**

The Committee shall conduct an annual evaluation of its performance in carrying out its responsibilities hereunder.