

Lillian Brown

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October 31, 2020

**Via E-mail to shareholderproposals@sec.gov**

U.S. Securities and Exchange Commission  
Division of Corporation Finance  
Office of Chief Counsel  
100 F Street, NE  
Washington, DC 20549

**Re: The Walt Disney Company  
Exclusion of Shareholder Proposal by Myra K. Young**

Ladies and Gentlemen:

We are writing on behalf of our client, The Walt Disney Company (the “Company”), to inform you of the Company’s intention to exclude from its proxy statement and proxy to be filed and distributed in connection with its 2021 annual meeting of shareholders (the “Proxy Materials”) the enclosed shareholder proposal and supporting statement (collectively, the “Proposal”) submitted by Myra K. Young (together with her designated representative, John Chevedden, the “Proponent”) requesting that the Company commission an independent third-party report “assessing how and whether Disney ensures the company’s advertising policies are not contributing to violations of civil or human rights.”

The Company respectfully requests that the staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) advise the Company that it will not recommend any enforcement action to the Commission if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(7) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on the basis that the Proposal relates to the Company’s ordinary business operations, or, alternatively, pursuant to Rule 14a-8(i)(3) of the Exchange Act on the basis that the Shareholder Proposal is materially false and misleading in violation of Rule 14a-9.

Pursuant to Exchange Act Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008) (“SLB 14D”), the Company is submitting electronically to the Commission this letter, and the Proposal and related correspondence (attached as Exhibit A to this letter), and is concurrently sending a copy to the Proponent, no later than eighty calendar days before the Company intends to file its definitive Proxy Materials with the Commission.

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## Background

On September 11, 2020, the Company received the Proposal from the Proponent, which states as follows:

### Proposal [\*]: Advertising Policies and Social Media

**Whereas**, Shareholders are concerned that Disney faces reputational and business risk for contributing to the spread of racism, hate speech, and disinformation online through its advertising on social media platforms like Facebook, YouTube and Twitter.

Social media platforms face criticism for failing to protect the civil and human rights of billions of people. In 2019, Chief Executive Officer Bob Iger said: “...we all know that social news feeds can contain more fiction than fact, propagating vile ideology that has no place in a civil society that values human life.”<sup>1</sup>

Disney’s values are described in standards for advertising by third parties on Disney’s sites, which require advertising not contain “false or misleading claims,” “unlawful, harmful, threatening, defamatory, obscene” content, nor “Discrimination based on race, sex, religion, nationality, disability, sexual orientation or age.”<sup>2</sup>

Yet, Disney advertises on platforms where similar standards are often not enforced. Facebook has been widely criticized for permitting harmful content and has settled civil rights lawsuits claiming Facebook excluded people from seeing housing, employment and credit ads based on age, gender and race.<sup>3</sup> In 2019, Disney ads on YouTube appeared beside content associated with a “soft-core pedophilia ring,”<sup>4</sup> and a Google executive admitted Google might never be able to guarantee “100% safety” for brands on YouTube.<sup>5</sup>

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<sup>1</sup> <https://www.cnn.com/2019/04/11/disney-ceo-bob-iger-sharply-criticizes-social-media.html>

<sup>2</sup> <https://mediakit.go.com/wp-content/uploads/DDN-Advertising-inventory-Guidelines.pdf>

<sup>3</sup> <https://www.cnn.com/2019/03/19/tech/facebook-discriminatory-ads-settlement/index.html>

<sup>4</sup> <https://www.bloomberg.com/news/articles/2019-02-20/disney-pulls-youtube-ads-amid-concerns-over-child-video-voyeurs>

<sup>5</sup> <https://www.thedrum.com/news/2019/03/05/google-says-youtube-might-never-be-100-brand-safe>

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One study found 80% of Americans would reduce or stop buying a product if advertised next to extreme or dangerous content online<sup>6</sup>. From January to June 2020, Disney was Facebook's top U.S. advertiser, spending \$210 million.<sup>7</sup> In 2018, Disney advertising accounted for 4% of YouTube revenue.<sup>8</sup>

Shareholders question whether Disney's social media advertising policies embody the company's values, including its commitment to racial justice. Disney recently restated its commitment to diversity and inclusion and pledged \$5 million to civil rights organizations. Executive Bob Chapek said: "...it is critical that we...do everything in our power to ensure that acts of racism and violence are never tolerated."

Media reports recently found some advertisers seeking to avoid controversy were no longer placing ads adjacent to content about COVID-19, Black Lives Matter, and other prominent news issues.<sup>9</sup> As a top digital advertiser, Disney is responsible for societal and business impact when it enables the spread of hate speech and disinformation, or demonetization of content in the public interest.

**Resolved**, shareholders request the Board of Directors commission an independent third-party report, at reasonable cost and omitting proprietary information, assessing how and whether Disney ensures the company's advertising policies are not contributing to violations of civil or human rights. Among other things, such report should consider whether advertising policies contribute to the spread of hate speech, disinformation, white supremacist recruitment efforts, or voter suppression efforts, and whether the policies undermine efforts to defend civil and human rights such as through the demonetization of content that seeks to advance and promote such rights.

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<sup>6</sup> <https://www.thedrum.com/news/2019/08/13/80-people-would-avoid-buying-brands-featured-next-extreme-or-dangerous-content>

<sup>7</sup> <https://www.bloomberg.com/news/articles/2020-07-18/facebook-s-top-advertiser-disney-cuts-ad-spending-wsj-says#:~:text=Disney%20was%20Facebook's%20top%20U.S.,t%20clear%2C%20the%20newspaper%20reported.>

<sup>8</sup> <https://www.marketingdive.com/news/geico-is-top-spender-on-youtube-while-auto-brands-slash-budgets-analysis-f/547378/>

<sup>9</sup> <https://slate.com/technology/2020/08/googles-ad-exchange-blocking-articles-about-racism.html>

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## **Basis for Exclusion**

### ***The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(7)***

Rule 14a-8(i)(7) permits a company to exclude a shareholder proposal if the proposal “deals with a matter relating to the company’s ordinary business operations.” The underlying policy of the ordinary business exclusion is “to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting.” SEC Release No. 34-40018 (May 21, 1998) (the “1998 Release”). As set out in the 1998 Release, there are two “central considerations” underlying the ordinary business exclusion. One consideration is that “[c]ertain tasks are so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.” The other consideration is that a proposal should not “seek[] to ‘micro-manage’ the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.” The Proposal implicates the first of these considerations.

### ***The Proposal May Be Excluded Because the Subject Matter of the Proposal Directly Concerns the Company’s Ordinary Business Operations***

The Proposal may be excluded in reliance on Rule 14a-8(i)(7) because it relates to the manner in which the Company advertises its products and services. The Staff consistently has concurred that decisions regarding a company’s advertising of products and services relate to a company’s ordinary business operations and thus may be excluded under Rule 14a-8(i)(7). For example, in Amazon.com, Inc. (March 23, 2018), the Staff concurred in exclusion of a proposal requesting that “the board take the steps necessary to establish a policy that will ensure that the Company does not place promotional or other marketing material on online sites or platforms that produce and disseminate content that expresses hatred or intolerance for people on the basis of actual or perceived race, ethnicity, national origin, religious affiliation, sex, gender, gender identity, sexual orientation, age or disability” as relating to the Company’s ordinary business operations. In this regard, the Staff noted that the Proposal “relates to the manner in which the Company advertises its products and services.” *See also* Ford Motor Company (February 2, 2017) (concurring in exclusion of a proposal requesting that the company assess the political activity resulting from its advertising and any resulting exposure to risk because the proposal related to Ford’s ordinary business operations); FedEx Corp. (July 11, 2014) (concurring in exclusion of a proposal relating to the company’s sponsorship of the Washington DC NFL franchise team given controversy over the team’s name because the proposal “relate[d] to the manner in which FedEx advertise[d] its products and services”); Tootsie Roll Industries Inc. (January 31, 2002) (concurring in exclusion

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of a proposal asking the company to identify and disassociate from any offensive imagery to the American Indian community in product marketing and advertising because the proposal related to “the manner in which a company advertises its products”); The Quaker Oats Company (March 16, 1999) (concurring in exclusion of a proposal requesting the formation of an employee committee to review advertising for content slandering people based on race, ethnicity, or religion because the proposal related to “the manner in which a company advertises its products”); PepsiCo, Inc. (February 23, 1998) (concurring in exclusion of a proposal requesting that the Board of Directors prepare a report regarding the use of nonracist portrayals by the company because the proposal related to “the manner in which a company advertises its products”); and General Mills, Inc. (July 14, 1992) (concurring in exclusion of a proposal to establish a policy of not advertising on Geraldo Rivera’s show and other “trash TV” programs because the proposal related to “the manner in which a company advertises its products”).

The allocation of advertising resources to best promote a company’s products and services is a key management function. As a diversified worldwide entertainment company, the Company’s internal and external advertising professionals devote significant time, energy and resources in making decisions relating to the advertising of the Company’s products and services, including determining the appropriate channels for advertising, such as social media platforms. Further, the Company operates in a highly competitive industry and marketing effectiveness is among the competitive factors that affect the sales of its products and services. By requesting a report on the assessment of “how and whether Disney ensures the company’s advertising policies are not contributing to violations of civil or human rights,” the Proposal reflects the Proponent’s attempt to impose on the Company the Proponent’s own views on advertising strategy and standards. However, as in the precedents discussed above, the manner or context in which a company advertises its products address ordinary business issues, and thus are excludable under Rule 14a-8(i)(7).

To the extent that the Proponent might argue that a request for a report to shareholders regarding an assessment of whether the Company’s advertising policies are contributing to civil or human rights violations is not the same as dictating advertising, the Staff has rejected similar attempts to put form over substance. Framing a shareholder proposal in the form of a request for a report does not change the underlying nature of the proposal. The SEC has long held that the Staff evaluates proposals requesting dissemination of a report by considering the underlying subject matter of the proposal when applying Rule 14a-8(i)(7), and that such proposals are excludable when the substance is within the ordinary business of the company. *See* Release No. 34-20091 (August 16, 1983) (“[T]he staff will consider whether the subject matter of the special report or the committee involves a matter of ordinary business; where it does, the proposal will be excludable”). *See also* Rite Aid Corp. (April 17, 2018) (concurring in exclusion of a proposal requesting a report on the feasibility of adopting company-wide goals for increasing energy

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efficiency and use of renewable energy, in which the Staff determined that the proposal focused “primarily on matters relating to the Company’s ordinary business operations”); and Netflix, Inc. (March 14, 2016) (concurring in exclusion of a proposal that requested a report relating to the company’s assessment and screening of “inaccurate portrayals of Native Americans, American Indians and other indigenous peoples,” in which the Staff determined that the proposal related to the ordinary business matter of the “nature, presentation and content of programming and film production”). Accordingly, even though the Proposal is in the form of a request for a report, it is excludable because the underlying subject matter bears on the ordinary business topic of the manner in which the Company advertises its products.

***The Proposal Does Not Raise a Significant Social Policy Issue That Transcends the Company’s Ordinary Business Operations***

The Proponent seeks to cast the Proposal as relating to a significant policy issue by asserting that the Company’s decision to advertise on certain social media platforms “contribute[s] to the spread of racism, hate speech, and disinformation online”; however, the mere reference to a significant policy issue does not alter the fundamentally ordinary business focus of the Proposal with regard to the Company in particular.

As set out in the 1998 Release, proposals “focusing on sufficiently significant social policy issues (e. g., significant discrimination matters) generally would not be considered to be excludable [under Rule 14a-8(i)(7)], because the proposals would transcend the day-to-day business matters and raise policy issues so significant that it would be appropriate for a shareholder vote.” As the Staff has since made clear, the extent to which a proposal has a nexus to the business of the company is relevant in assessing whether a proposal may be excluded on the basis that it relates to the ordinary business of the company notwithstanding a reference to a significant policy issue. The Staff indicated in Staff Legal Bulletin 14E (October 27, 2009) that a shareholder proposal focusing on a significant policy issue “generally will not be excludable under Rule 14a-8(i)(7) as long as a sufficient nexus exists between the nature of the proposal and the company.” In Staff Legal Bulletin 14H (October 22, 2015) the Staff further explained that “[w]hether the significant policy exception applies depends, in part, on the connection between the significant policy issue and the company’s business operations.” Finally, in Staff Legal Bulletin 14K (October 16, 2019), the Staff reiterated its view that the applicability of the significant policy exception “depends, in part, on the connection between the significant policy issue and the company’s business operations.” The Staff also clarified that the focus of this analysis is not on “the overall significance of the policy issue raised by the proposal,” but rather on “whether the proposal raises a policy issue that transcends the particular company’s ordinary business operations.” Thus, “a policy issue that is significant to one company may not be significant to another.”

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Consistent with this position, when a proposal does not have a sufficient nexus to a company's business, the Staff has concurred that the proposal is excludable under Rule 14-8(i)(7) even if it touches upon a significant policy issue. For example, in PayPal Holdings Inc. (March 6, 2018), the Staff concurred in exclusion of a proposal addressing climate change that was submitted to a technology and digital payment company and in Viacom Inc. (December 18, 2015), the Staff concurred in exclusion of a proposal requesting that the company issue a report assessing the company's policy responses to public concerns regarding linkages of food and beverage advertising to impacts on children's health, despite the proponent's assertion that the company, by virtue of licensing popular characters to manufacturers of certain food products, was in a position similar to the food manufacturers. *See also* Amazon.com, Inc. (discussed above); Wal-Mart Stores, Inc. (March 9, 2011) (concurring in exclusion of a proposal addressing gun violence that was submitted to a multiproduct retailer); and Rite Aid Corp. (March 5, 1997) (concurring in exclusion of a proposal regarding the health effects of cigarette smoking that was submitted to a multiproduct retailer). In comparison, in AmerisourceBergen Corp. (January 11, 2018) the Staff declined to concur in exclusion of a proposal addressing the opioid crisis that was submitted to a pharmaceutical products distributor engaged in the distribution of opioids.

Here, and as in the letters cited above, to the extent the Proposal references a significant policy issue generally, it does not raise a significant policy issue as to the Company because it does not have a sufficient nexus to the business of the Company. The business of the Company is entertainment, not hosting and/or creation of content on a social media platform. Accordingly, the Proposal is excludable as related to the Company's ordinary business pursuant to Rule 14a-(8)(i)(7).

***The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(3)***

Rule 14a-8(i)(3) permits a company to exclude all or portions of a shareholder proposal "[i]f the proposal or supporting statement is contrary to any of the Commission's proxy rules, including Rule 14a-9, which prohibits materially false or misleading statements in proxy soliciting materials." Specifically, Rule 14a-9 provides that no solicitation may be made by means of any proxy materials "containing any statement which, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact, or which omits to state any material fact necessary in order to make the statements therein not false or misleading or necessary to correct any statement in any earlier communication with respect to the solicitation of a proxy for the same meeting or subject matter which has become false or misleading." The Note to Rule 14a-9 provides examples of statements that may be misleading within the meaning of Rule 14a-9, including "Material which directly or indirectly impugns character, integrity or personal reputation, or directly or indirectly makes charges concerning improper, illegal or immoral conduct or associations, without factual foundation." This point is

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reiterated in Staff Legal Bulletin No. 14B (September 15, 2004) (“SLB 14B”), which states that “reliance on rule 14a-8(i)(3) to exclude or modify a statement may be appropriate where ... statements directly or indirectly impugn character, integrity or personal reputation, or directly or indirectly makes charges concerning improper, illegal or immoral conduct or associations, without factual foundation.” In addition, the Staff takes the view that a proposal may be excluded pursuant to Rule 14a-8(i)(3) where “neither the stockholders voting on the proposal, nor the company in implementing the proposal (if adopted), would be able to determine with any reasonable certainty exactly what actions or measures the proposal requires” and where “the company demonstrates objectively that a factual statement is materially false or misleading.” SLB 14B.

The Staff has previously concurred in the exclusion of shareholder proposals pursuant to Rule 14a-8(i)(3) in cases where the proposals contained statements that were “materially false or misleading.” *See, e.g.*, Ferro Corporation (March 17, 2015) (concurring in exclusion of a proposal requesting that the company reincorporate in Delaware based on misstatements of Ohio law, which suggested that the stockholders would have increased rights if the Delaware law governed the company instead of Ohio law); General Electric Co. (January 6, 2009) (concurring in exclusion of a proposal regarding director service on board committees as false and misleading where the proposal repeatedly referred to “withheld” votes and incorrectly implied that the company offered shareholders the ability to withhold votes in elections of directors); Johnson & Johnson (January 31, 2007) (concurring in exclusion of a proposal as materially false or misleading where the proposal involved an advisory vote to approve the company’s compensation committee report but contained misleading implications about the contents of the report in light of SEC disclosure requirements).

The Proposal is materially false and misleading in several respects. Notably, the Proposal states that “[i]n 2019, Disney ads on YouTube appeared beside content associated with a ‘soft-core pedophilia ring.’” We do not know what this statement is based upon. The Proponent does not provide any factual foundation for this inflammatory statement, which impugns the character, integrity and reputation of the Company and makes a charge concerning improper and immoral associations. Rather, the Proponent cites to online materials that are not publicly available and which neither the Company nor its stockholders would be able to access to assess the veracity of the Proponent’s inflammatory statement. Without such information, stockholders do not have the information needed to make an informed voting decision.

In footnote 2 the Proponent references a website address which, as of the date of this letter, cannot be found, a screen shot of which is attached hereto as Exhibit B. In Staff Legal Bulletin No. 14 (July 13, 2001) (“SLB 14”), the Staff included the following interpretive guidance:

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**May a reference to a website address in the proposal or supporting statement be subject to exclusion under the rule?**

Yes. In some circumstances, we may concur in a company's view that it may exclude a website address under rule 14a-8(i)(3) because information contained on the website may be materially false or misleading, irrelevant to the subject matter of the proposal or otherwise in contravention of the proxy rules. Companies seeking to exclude a website address under rule 14a-8(i)(3) should specifically indicate why they believe information contained on the particular website is materially false or misleading, irrelevant to the subject matter of the proposal or otherwise in contravention of the proxy rules.

The Staff expanded on its approach to website links in Staff Legal Bulletin 14G (October 16, 2012) ("SLB 14G"), reiterating that website references may be excludable under Rule 14a-8(i)(3) and noting that "if a proposal references a website that is not operational at the time the proposal is submitted, it will be impossible for a company or the [S]taff to evaluate whether the website reference may be excluded." Specifically, the Staff stated that it considers "only the information contained in the proposal and supporting statement and determine[s] whether, based on that information, shareholders and the company can determine what actions the proposal seeks." Further, "[i]f a proposal or supporting statement refers to a website that provides information necessary for shareholders and the company to understand with reasonable certainty exactly what actions or measures the proposal requires, and such information is not also contained in the proposal or in the supporting statement, then we believe the proposal would raise concerns under Rule 14a-9 and would be subject to exclusion under Rule 14a-8(i)(3) as vague and indefinite." Without the information included in the link, the Company's stockholders will not be able to make an informed voting decision. In addition, as the Staff noted in SLB 14G, "a reference to a non-operational website in a proposal or supporting statement could be excluded under Rule 14a-8(i)(3) as irrelevant to the subject matter of a proposal."

As discussed above, the Proponent has not provided any factual basis for the inflammatory statement impugning the character, integrity and reputation of the Company and charging improper and immoral associations relating to the location of Disney ads on YouTube near inappropriate content, while also citing to online materials that are not available for the Company and its stockholders to evaluate. Accordingly the Proposal is materially false and misleading in violation of Rule 14a-9 and therefore may be excluded in its entirety under Rule 14a-8(i)(3), consistent with SLB 14 (the Staff may "find it appropriate for [the Company] to exclude the entire proposal, supporting statement, or both, as materially false or misleading.").

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**Conclusion**

For the foregoing reasons, and consistent with the Staff's prior no-action letters, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(7), on the basis that the Proposal relates to the Company's ordinary business operations, or, alternatively, Rule 14a-8(i)(3), on the basis that the Proposal is materially false and misleading in violation of Rule 14a-9.

If the Staff has any questions with respect to the foregoing, or if for any reason the Staff does not agree that the Company may exclude the Proposal from its Proxy Materials, please do not hesitate to contact me at [lillian.brown@wilmerhale.com](mailto:lillian.brown@wilmerhale.com) or (202) 663-6743. In addition, should the Proponent choose to submit any response or other correspondence to the Commission, we request that the Proponent concurrently submit that response or other correspondence to the Company, as required pursuant to Rule 14a-8(k) and SLB 14D, and copy the undersigned.

Best regards,



Lillian Brown

Enclosures

cc: Jolene Negre, Associate General Counsel and Assistant Secretary  
The Walt Disney Company

John Chevedden

**EXHIBIT A**

Mr. Alan N. Braverman  
Corporate Secretary  
The Walt Disney Company (DIS)  
500 S Buena Vista Street  
Burbank CA 91521

Dear Mr. Braverman:

I am delighted to own shares in The Walt Disney Company. However, I believe the Board should take this opportunity to signal improvement in its corporate governance.

My attached proposal requesting a report on **Advertising Policies and Social Media** is for the next annual shareholder meeting. I will meet Rule 14a-8 requirements, including the continuous ownership of the required stock value until after the date of the respective shareholder meeting. My submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication.

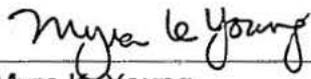
This is my delegation to John Chevedden and/or his designee to forward this Rule 14a-8 proposal to the company and to act as my agent regarding this Rule 14a-8 proposal, negotiations and/or modification, and presentation of it for the forthcoming shareholder meeting.

Please direct all future communications regarding my rule 14a-8 proposal to John Chevedden  
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to facilitate prompt and verifiable communications. Please identify me exclusively as the lead filer of the proposal.

This letter does not cover proposals that are not rule 14a-8 proposals. This letter does not grant the power to vote. Your consideration and the consideration of the Board of Directors is appreciated in support of the long-term performance of our company. **Please acknowledge receipt of my proposal promptly by email to** \*\*\* We look forward to negotiations and implementation.

Sincerely

  
\_\_\_\_\_  
Myra K. Young

September 11, 2020

\_\_\_\_\_  
Date

cc: Jolene Negre, Associate General Counsel and Assistant Secretary, The Walt Disney Company  
\_\_\_\_\_  
Kimberly McKiernan, Investor Relations, \_\_\_\_\_

[DIS: Rule 14a-8 Proposal, September 11, 2020]  
[This line and any line above it – *Not* for publication.]

**Proposal [\*]: Advertising Policies and Social Media**

**Whereas**, Shareholders are concerned that Disney faces reputational and business risk for contributing to the spread of racism, hate speech, and disinformation online through its advertising on social media platforms like Facebook, YouTube and Twitter.

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Shareholders question whether Disney's social media advertising policies embody the company's values, including its commitment to racial justice. Disney recently restated its commitment to diversity and inclusion and pledged \$5 million to civil rights organizations. Executive Bob Chapek said: "...it is critical that we ...do everything in our power to ensure that acts of racism and violence are never tolerated."

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<sup>2</sup> <https://mediakit.go.com/wp-content/uploads/DDN-Advertising-Inventory-Guidelines.pdf>

<sup>3</sup> <https://www.cnn.com/2019/03/19/tech/facebook-discriminatory-ads-settlement/index.html>

<sup>4</sup> <https://www.bloomberg.com/news/articles/2019-02-20/disney-pulls-youtube-ads-amid-concerns-over-child-video-voyeurs>

<sup>5</sup> <https://www.thedrum.com/news/2019/03/05/google-says-youtube-might-never-be-100-brand-safe>

<sup>6</sup> <https://www.thedrum.com/news/2019/08/13/80-people-would-avoid-buying-brands-featured-next-extreme-or-dangerous-content>

<sup>7</sup> <https://www.bloomberg.com/news/articles/2020-07-18/facebook-s-top-advertiser-disney-cuts-ad-spending-wsj-says#:~:text=Disney%20was%20Facebook's%20top%20U.S.,t%20clear%2C%20the%20newspaper%20reported.>

<sup>8</sup> <https://www.marketingdive.com/news/geico-is-top-spender-on-youtube-while-auto-brands-slash-budgets-analysis-f/547378/>

<sup>9</sup> <https://slate.com/technology/2020/08/googles-ad-exchange-blocking-articles-about-racism.html>

**Resolved**, shareholders request the Board of Directors commission an independent third-party report, at reasonable cost and omitting proprietary information, assessing how and whether Disney ensures the company's advertising policies are not contributing to violations of civil or human rights. Among other things, such report should consider whether advertising policies contribute to the spread of hate speech, disinformation, white supremacist recruitment efforts, or voter suppression efforts, and whether the policies undermine efforts to defend civil and human rights, such as through the demonetization of content that seeks to advance and promote such rights.



# The WALT DISNEY Company

Jolene E. Negre  
Associate General Counsel and Assistant Secretary

September 25, 2020

## **VIA EMAIL AND OVERNIGHT COURIER**

Myra K. Young  
c/o John Chevedden

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Re: Notice of Deficiency Relating to Shareholder Proposal

Dear Mr. Chevedden:

On September 11, 2020, The Walt Disney Company (the “Company”) received the shareholder proposal submitted by Myra K. Young (the “Proponent”) for consideration at the Company’s 2021 Annual Meeting (the “Submission”). The Submission indicates that communications regarding it should be directed to you. Based on the date of electronic transmission of the Submission, the Company has determined that the date of submission was September 11, 2020 (the “Submission Date”).

Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), provides that a shareholder proponent must submit sufficient proof of their continuous ownership of at least \$2,000 in market value, or 1%, of a company’s shares entitled to vote on the proposal for at least one year as of the Submission Date. The Company’s stock records do not indicate that the Proponent is the record owner of sufficient shares to satisfy this requirement. Therefore, under Rule 14a-8(b), the Proponent must prove its eligibility by submitting either:

- A written statement from the “record” holder of the Proponent’s shares (usually a broker or a bank) verifying that, as of the Submission Date, the Proponent continuously held the requisite number of Company shares for at least one year. As addressed by the SEC staff in Staff Legal Bulletin 14G, please note that if the Proponent’s shares are held by a bank, broker or other securities intermediary that is a Depository Trust Company (“DTC”) participant or an affiliate thereof, proof of ownership from either that DTC participant or its affiliate will satisfy this requirement. Alternatively, if the Proponent’s shares are held by a bank, broker or other securities intermediary that is not a DTC participant or an affiliate of a DTC participant, proof of ownership must be provided by both (1) the bank, broker or other securities intermediary and (2) the DTC participant (or an affiliate thereof) that can verify the holdings of the bank, broker or other securities intermediary. You can confirm whether a particular bank, broker or other securities intermediary is a DTC participant by checking DTC’s participant list, which is available on the Internet at <http://www.dtcc.com/downloads/membership/directories/dtc/alpha.pdf>. The Proponent



# The WALT DISNEY Company

Jolene E. Negre  
Associate General Counsel and Assistant Secretary

should be able to determine who the DTC participant is by asking the Proponent's bank, broker or other securities intermediary; or

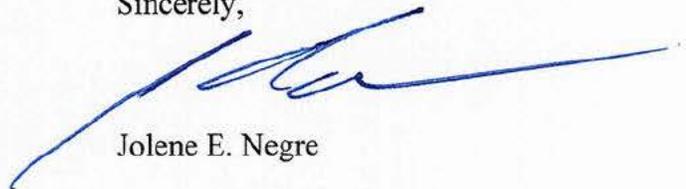
- If the Proponent has filed with the SEC a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5, or amendments to those documents or updated forms, reflecting its ownership of the requisite number of Company shares as of or before the date on which the one-year eligibility period begins, a copy of the schedule and/or form, and any subsequent amendments reporting a change in the ownership level and a written statement that the Proponent continuously held the requisite number of Company shares for the one-year period.

To remedy this defect, the Proponent must submit sufficient proof of its ownership of the requisite number of Company shares during the time period of one year preceding and including the Submission Date.

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to the undersigned, Assistant General Counsel of the Company, at [REDACTED]. The failure to correct the deficiencies within this timeframe will provide the Company with a basis to exclude the proposal contained in the Submission from the Company's proxy materials for the 2021 Annual Meeting.

If you have any questions with respect to the foregoing, please email me. For your reference, I enclose copies of Rule 14a-8 and Staff Legal Bulletins 14F and 14G.

Sincerely,



Jolene E. Negre

Enclosures - Exchange Act Rule 14a-8  
Staff Legal Bulletins 14F and 14G



09/15/2020

Myra Young  
\*\*\*

Re: Your TD Ameritrade Account Ending in \*\*\*

Dear Myra Young,

Pursuant to your request, this letter is to confirm that as of the date of this letter, Myra K. Young held, and had held continuously for at least 13 months, 100 shares of Walt Disney Co (DIS) common stock in her account ending in \*\*\* at TD Ameritrade. The DTC clearinghouse number for TD Ameritrade is 0188.

If we can be of any further assistance, please let us know. Just log in to your account and go to the Message Center to write us. You can also call Client Services at 800-669-3900. We're available 24 hours a day, seven days a week.

Sincerely,

A handwritten signature in cursive script that reads 'Gabriel Elliott'.

Gabriel Elliott  
Resource Specialist  
TD Ameritrade

This information is furnished as part of a general information service and TD Ameritrade shall not be liable for any damages arising out of any inaccuracy in the information. Because this information may differ from your TD Ameritrade monthly statement, you should rely only on the TD Ameritrade monthly statement as the official record of your TD Ameritrade account.

Market volatility, volume, and system availability may delay account access and trade executions.

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**EXHIBIT B**

## Footnote 2 Website Screenshot

