

May 26, 2023

Thank you for the opportunity to respond. In March 2022, The Walt Disney Company announced a pause of business in Russia. Since then, we have stopped granting licenses for Russia as a country within authorized sales territories and removed Russia as a territory from regional and global contracts. When licensing new entities we are vigilant in our reviews and consider risk factors such as newly formed entities particularly in certain geographical locations known to be a high risk for parallel import and entities with ownership connections to Russian entities. The primary nature of our consumer products business is the licensing of our intellectual property to unaffiliated, third-party licensees who control the production, distribution and sale of the licensed products. We have contractual provisions in place that address unauthorized sale of Disney-branded products outside of the permitted contractual territory. In the event that a licensee sold licensed products into Russia, or knew or reasonably should have known that the products would be sold into Russia, they would be in breach of their contract.