

Disney's ENVIROPORT



A YEAR IN REVIEW

Disney's ENVIROPORT 2002

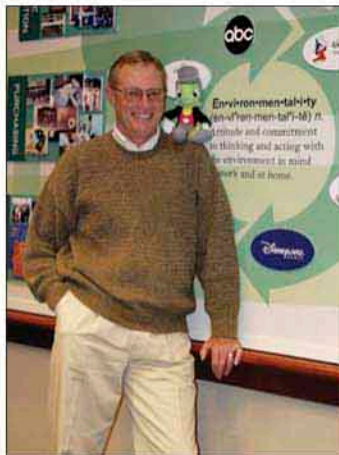
Contents

- 3 Corporate Environmental Policy**
- 4 ABC, Inc.**
- 5 Disney Cruise Line**
- 6 Walt Disney World Resort**
- 7 Disneyland Resort**
- 8 Disneyland Resort Paris**
- 9 Tokyo Disney Resort and Hong Kong Disneyland**
- 10 We've Got Environmentality**
- 12 Disney Conservation Initiatives and Disney's Animal Programs**
- 13 Walt Disney Imagineering**
- 14 Disney Store**
- 15 Earth Day**
- 16 Community Outreach**
- 18 Waste Minimization**
- 19 Awards & Acknowledgements**

Disney's Enviroport is an annual report produced by the Corporate Environmental Policy Department of The Walt Disney Company. The publication highlights significant accomplishments contributed by business units throughout the Company in the area of Environmentality.

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A Letter from Kym

Our world never ceases to amaze me; it provides us with a never-ending array of wonders, mysteries, and unpredictability. Unfortunately, not all of this unpredictability is either wonderful or welcome, as recent national and international events have demonstrated. As a result, our Company has faced extraordinary challenges that have tested our corporate resolve at every level, in every location.

Luckily, one of our world's most amazing wonders has helped us meet these difficulties with tenacity, courage, and creativity. That wonder is the power that has buoyed this Company through good times and bad, through growth and reinvention; it is the power of the *human spirit*. Our Company has always been blessed with an abundance of this priceless and magical quality, which shows in our products, in our attitudes, and on our faces. A good example of this Company-wide spirit is our *Environmentality*, an ethic that tens of thousands employees bring to life every day around our world.

Throughout the pages of this year's *Enviroport*, you will be introduced to some of our Company's environmental leaders, individuals whose exemplary efforts have made our Company a respected icon in environmental programs and actions. Not surprisingly, these individuals collectively attribute their successes to the spirit of *Environmentality* practiced so consistently and enthusiastically throughout our Company. Walt echoed this same sentiment in 1965 when he stated, "The whole thing here is the organization. Whatever we accomplish belongs to our entire group, a tribute to our combined effort."

In this edition of Disney's *Enviroport*, you will find information reflecting the substantial growth of our national and international environmental outreach programs. You will discover that our *Environmentality* has no boundaries. For example, our WOW — Wonderful Outdoor World children's program was launched in Hong Kong, and our Washington, D.C., WOW kids spent some quality time with President George W. Bush at the White House. Way to go, kids! Not to be outdone, Jiminy Cricket's Environmentality Challenge has touched the lives of more than 500,000 children in California and Florida. And, of course, Disney VoluntEARS around the world continue to provide their time and talents to a myriad of environmental activities.

This edition also contains numerous examples of Disney's environmental synergy. You will see how our Company manages to practice environmental stewardship while creating financially positive opportunities. These win-win opportunities are created through consistent corporate-wide communication and cooperation. It is a pleasure to work for a corporation that is dedicated to balancing its environmental policies with its financial goals and strategic plans for the future.



Please enjoy the many interesting items featured in this year's *Enviroport*, and feel free to contact our offices with your environmental questions, comments, or concerns.
Thanks for your support!

Kym

Kym Murphy
Senior Vice President
Corporate Environmental Policy

Commissary Partnerships Result in Waste Minimization Efforts

The Environmental Policy Department partnered with eight Disney commissaries in Southern California to introduce *Environmentality* into daily operations. During Earth Month in April, a reusable mug program was introduced, in conjunction with Earth Day, to encourage reuse and minimize waste generated from disposable cups. The purchase of each uniquely designed mug included a complimentary drink and 15-cent discount for subsequent drink purchases throughout the year. More than 4,000 mugs were sold and a new mug is being designed for Earth Month 2003. In addition, themed meals and signage were prepared to support local Earth Day celebrations.

Promoting a theme of waste minimization, the operations team transitioned their napkin sup-

ply from traditional white paper to recycled-content, unbleached napkins, which are approximately 40% less expensive. In addition, a pilot test was conducted in catering services to identify the benefits of using environmentally friendly plates made from bamboo. These plates are approximately 50% less expensive than those currently in use. Special messages were displayed throughout the commissaries to explain and highlight benefits of the new environmental initiatives. ■



Recognizing Employees Around the World

The *Environmentality Recognition Pin Program* began in 2001 and is part of a five-year initiative to recognize employees throughout the Company who are committed to *Environmentality* and contribute with individual actions. Through this program, employees have an opportunity to acknowledge fellow team members, and each pin serves as a constant reminder for recipients to continue their proactive support for *Environmentality*. In 2002, more than 6,000 employees were recognized through this program. ■



The Environmental Affairs team presented *Environmentality Recognition Pins* to cast members from the Disneyland Resort Enhancement team for their efforts to balance environmental initiatives and financial objectives. For example, approximately 60% of all holiday decorations are reused each year; elements from old animated window sets are recycled into new movie and DVD sets; and decoration themes are utilized in several areas throughout the Parks.

Commuter Transportation Promotes Clean Air



The Environmental Policy and Commuter Transportation departments hosted transportation fairs to promote commute alternatives for employees and demonstrate Disney's commitment to a healthy community through regional air quality and traffic mitigation ordinances.

Combining education, information, and fun, the fairs brought together public and private organizations that offer solutions and options for improving Southern California's challenges with air quality and freeway congestion. ■

The Walt Disney Company Corporate Environmental Policy

U.S. Environmental Protection Agency WasteWise Program

Each year, the U.S. Environmental Protection Agency (EPA) recognizes companies that make significant efforts to encourage solid waste reduction. This year, The Walt Disney Company was named WasteWise Partner of the Year, recognizing new initiatives by ABC, Inc., El Capitan Theatre, Feature Animation, Walt Disney Imagineering, and The Walt Disney Studios. The Disneyland Resort received a WasteWise Program Champion Award for their efforts to promote this program, which resulted in diverting more than 37% of their waste from landfills. ■



Jennifer Argenti, senior waste minimization representative, Corporate Environmental Policy; Joe Janeczek, executive director, ABC Corporate Risk & Environmental Management; Danyela Kiellman, department coordinator, ABC Corporate Risk & Environmental Management; and Kym Murphy, senior vice president, Corporate Environmental Policy, accepted awards at the 2002 U.S. EPA WasteWise annual meeting and ceremony, held October 10, 2002, in Washington, D.C.

3rd Annual Recycled Product Trade Show

A partnership between the State of California Integrated Waste Management Board, Corporate Environmental Policy, and Disneyland Resort Environmental Affairs brought to life the 3rd Annual Recycled Product Trade Show, which was held for the first time in Southern California. Approximately 1,200 exhibitors and attendees from private and public sectors attended the event at the Disneyland Hotel to learn more about both traditional and innovative environmentally friendly products and services. ■



abc

New Web Site Launches

The Corporate Risk and Environmental Management Department completed a new Web site on the ABC Intranet system to represent internal business units, including Insurance, Safety, Health, Loss Prevention, and Environmental. The site contains manuals for all ABC Safety & Health Policies and Procedures, reducing the need to distribute paper copies. Additional features include an extensive directory of contacts at ABC and affiliate locations, and access to valuable reports for individual areas. ■

ESPNTM

Energy Conservation in New Construction

The ESPN Facilities Department partnered with the Energy Efficiency Rebate Team at Connecticut Light and Power to specify energy conservation design elements and equipment for two new buildings: the Digital Center and Building B. Energy-efficient motors were installed in air handlers and exhaust fans, and pumps with variable-frequency drives were identified for all motors with a capacity greater than 10 horsepower. Additional new equipment included super-efficient water chillers, and light fixtures and ballasts endorsed by the EPA Energy Star Program. ■



Existing restroom faucets equipped with aerators that release three gallons per minute were replaced with electronic faucets that release only 0.5 gallon per minute. Implementing this new equipment resulted in cost reduction and water conservation during serious drought conditions in Hartford County, Connecticut.

ABC New York Partners with Local High School

A partnership with the New York High School for Environmental Studies initiated an internship program presenting students an opportunity to work with the ABC Corporate Risk and Environmental Management team. The research conducted this year tracked the use of current recycling bins and identified the need for additional educational materials. As a result, new labels were designed to encourage proper recycling procedures leading to a decrease in contamination and an overall increase in recycling percentages. ■



Earth Day April 22

Employees from ABC Corporate, Radio, and television, and ESPN supported efforts to celebrate Earth Day nationwide by participating in special activities including park clean-ups, Public Service Announcements, community fairs, "Earth Runs," and tree plantings.

In addition, WTVG-TV ABC 13 — Toledo, Ohio received the 2001 Clean Up, Ohio! Media Feature Award from the Ohio Department of Natural Resources Division of Recycling and Litter Prevention 2002 Take Pride, Ohio Awards program.

KQRS Radio Disney — Minneapolis, Minn., sponsored the Como Zoo & Conservatory Earth Day 5K event and produced Public Service Announcements to promote the event and the Nature Conservancy organization.



ABC — Los Angeles, Calif., hosted an Earth Day fair to promote resource conservation and air quality initiatives.

WMAL, WRQX, WJRW — Washington D.C., promoted recycling by providing new bins, cleaning office spaces, and distributing special messages via e-mail.

WTVG-TV ABC 13 — Toledo, Ohio, participated in special events at the Toledo Zoo where children recorded their own promotions in honor of Earth Day.

WWMI Radio Disney — Fla., co-sponsored the American Lung Association "Air Wise" program designed to provide students with a better understanding of scientific and technical concepts related to the environment. More than 100 Public Service Announcements have been dedicated to the reduction of pollution.

WBAP, ESPN KESN, KSCS, KMEO, KMKI — Arlington, Texas, featured a monthly section in the electronic newsletter to promote recycling practices and posted environmental banner ads and links on their Web site. ■

America Recycles Day November 15

In recognition of America Recycles Day, ABC partnered with the New York State Committee to develop and air Public Service Announcements promoting recycling and waste minimization. ABC employees also participated in an environmental awareness day at the High School for Environmental Studies. Internally, the ABC Reusable Mug Program was introduced to employees, further encouraging waste minimization practices.

Facilities Management Conserves Valuable Resources



The Facilities Management team in New York identified new initiatives to conserve energy and water through the use of devices, including automatic flushometers; variable frequency drives on fans; occupancy sensors on light switches; energy-efficient, fluorescent light bulbs; plate heat exchangers; high-efficiency, hot water heaters; and new heat exchangers in cooling towers.

Guests Make a Difference

Disney Cruise Line passengers can become "marine conservation heroes" each time they sail, by contributing to the Disney Wildlife Conservation Fund and supporting efforts to study and protect all types of wildlife, including ocean creatures.

Last year, Disney Cruise Line guests and participants in special programs at the Living Seas Pavilion at Epcot contributed almost \$300,000 to the research of coral reefs, fish, manatees, dolphins, and sea turtles conducted by nonprofit environmental organizations. One-hundred percent of each guest contribution went directly to these efforts.

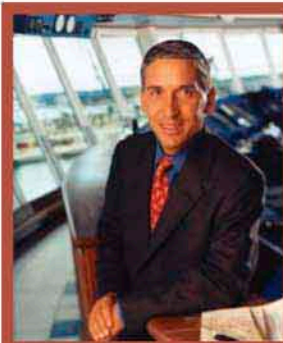
In addition to sponsoring habitat research, the Fund also provides organizations an opportunity to cover operational costs. For example, the University of Florida and the Ocean Conservancy purchased a vehicle for researchers to transport SCUBA equipment and divers who are conducting field research on coral reef ecosystems. The



Disney Cruise Line Staff Captain Guus Verhulst and Environmental Officer Hans De Smit hosted Nick Drayton of the Ocean Conservancy onboard the *Disney Magic* and got their first look at the vehicle purchased with a grant from the Disney Wildlife Conservation Fund.

team also coordinates ecotourism programs that include coral reef education presentations for visitors and residents at Cinnamon Bay, Maho Bay, and Coral Bay Yacht Club.

Disney Cruise Line Staff Captain Guus Verhulst said, "*Disney Cruise Line* is proud to be an active supporter of the Disney Wildlife Conservation Fund. When you actually get to meet members of the community who benefit from the funds, it makes our efforts that much more rewarding." ■



"The Disney Wildlife Conservation Fund is an excellent way to engage our guests in efforts to conserve ocean life and support worthwhile nonprofit organizations. By distributing marine conservation hero buttons, our cast and crew members will be able to recognize participating guests while they are still on board."

M. ATT QUIMET
President, Disney Cruise Line

Crew Members Lend a Helping Hand



Disney Cruise Line crew members are dedicated to community outreach efforts in places where they work and live. This year, more than 80 Disney Magic Officers and crew members attended a beach cleanup event sponsored by the Florida Caribbean Cruise Association to remove debris around Mullet Bay Beach in St. Maarten.



In Florida, more than 70 Disney VolunteERS from *Disney Cruise Line*, the Port Authority, and the United States Coast Guard demonstrated their *Environmental*ity on the beaches near Port Canaveral in Brevard County. Crew members from the *Disney Magic* and cast members from shore side teams helped clean a one-mile stretch of the beach commonly used by recreational fishermen, spectators for shuttle launches, and picnickers. VolunteERS removed three truckloads of garbage and recyclable materials. ■

Disney CRUISE LINE®

Disney Magic Welcomes Eco-Camp

Officers and crew members from the *Disney Magic* hosted 40 children from the Friends of the Virgin Islands National Park. The eco-camp encourages children in the U.S. Virgin Islands to learn about near-shore ecology, including natural wildlife on land and in the sea. *Disney Cruise Line* sponsored the camp and honored the children with a ceremony and tour onboard the ship, and special environmental greetings from the Captain, the Cruise Director, the Environmental Officer, and Captain Mickey. ■



Marine Mammal Safety

Disney Cruise Line policy ensures responsible stewardship of the marine environment and compliance with regulations that protect endangered marine species. The Disney Cruise Line Environmental Manual also includes an Operating Guide on Marine Species Conservation to promote this important aspect of business.

The waters around Port Canaveral provide habitat to several large marine mammals, including manatees. A slow-speed zone posted through the harbor and specially designed fenders at the terminals allow manatees to maneuver while vessels are being docked.

Northern right whales are the world's most endangered large whale. These majestic creatures reach lengths of 45-55 feet and are black in color. Right whales are generally slow moving and seldom travel faster than 5-6 knots. Coastal waters off Georgia and Northeast Florida are the species' only known calving grounds. Federal regulations prohibit approaching within 500 yards of a right whale. Crew members from *Disney Cruise Line* and other ships operating from Port Canaveral maintain a lookout for these whales and report sightings to the U.S. Coast Guard, which can issue warnings to other vessels and reduce the risk of collisions. ■

Environmentality Makes \$ense

Print Reductions

Guidemaps printed for guests at the Walt Disney World theme parks have traditionally been printed weekly, and quantities were based on expected attendance, sometimes resulting in an excess of outdated guidemaps. To reduce excess, Walt Disney World now prints the guidemaps without dates, and include an insert to reflect current events, resulting in waste minimization and an average annual savings of \$1.7 million. ■



Maximizing Space

Animal Keepers at Disney's Animal Kingdom partnered with Environmental Initiatives and Reedy Creek Energy Services to reduce the number of times their organic waste recycling bins were collected. These efforts resulted in a cost avoidance of nearly \$55,000. ■



Reuse Through Recycling

Disney's Horticulture cast members give new life to plastic pots through a recycling program at the Walt Disney World Nursery that captures a variety of pots for reuse. This year, the recycling program generated more than \$6,500 in revenue. ■



Environmental Excellence Awards

The Environmental Initiatives Department presented 162 Environmental Excellence Awards to Walt Disney World cast members who exemplified Disney's Environmentality throughout 2002. Recipients are nominated by their peers and are selected based on specific criteria recognizing their contributions to resource conservation. This year, awards were presented by department executives during Earth Month. ■



Disney Cruise Line crew members Guus Verhulst, Pol Octav, and Robert Wilkinson received 2002 Environmental Excellence Awards in recognition of their commitment to Environmentality onboard the Disney Magic and Disney Wonder.

Energy Star Awards for Utility Efficiency

Reedy Creek Energy Services presented the 2002 Energy Star Award for Utility Efficiency to five business units, recognizing their efforts to reduce utilities consumption. Property-wide utility reductions were based on a combination of factors, including conservation efforts, mandated water restrictions, park hours, and attendance. Over 75% of the areas on property

reduced utility consumption resulting in the following overall reductions for each utility area:

- Electricity: 1.2%
- Chilled Water: 3.1%
- Hot Water: 7.3%
- Natural Gas: 9.3%
- Water: 26.0%
- Sewer: 17.6%



Epcot reduced chilled water use by optimizing its energy management system by adjusting time and set point schedules that accommodate new operating conditions.

2002 Energy Star Recipients

Disney Theme Parks
Epcot

Disney Resort Entertainment Areas
Cirque du Soleil

Disney Resort Areas
Disney's Caribbean Beach Resort

Support Buildings
Celebration Office Complex

Operating Participants
Doubletree Guest Suites

Recycler of the Year Awards

Reedy Creek Energy Services presented five Recycler of the Year Awards to areas that displayed outstanding recycling practices during the previous year. Recipients were chosen based on a point system. Criteria for earning points included average recycling rate, number of recycling programs, and maintenance of recycling collection areas.

2002 Recycler of the Year Recipients

Overall Recycler

Buena Vista Construction Company

Theme Park

Disney's Animal Kingdom Theme Park

Walt Disney World Resort

Disney's Fort Wilderness Resort

Operating Participant Resort

Shades of Green Resort

Entertainment

Disney's Blizzard Beach Water Park



Buena Vista Construction Company increased their recycling rate by 32% since 2000, the largest increase of all areas on property.



Blizzard Beach increased its overall recycling rate by 5%, earning an average recycling rate of 31%.

Children Learn Importance of Protecting Water Resources



The Children's Water Education Festival is a cooperative effort between the public and private sectors to provide an interactive, hands-on approach to learning about the protection and preservation of groundwater and drinking water sources. Children have the opportunity to experiment, create, participate, react, and learn, empowering them to make a differ-

ence in their community. This year, 80 activities were planned for more than 6,000 third and fourth grade students from 26 cities. The Orange County Water District presented a Community Service Award to the Disneyland Resort Environmental Affairs team for their leadership in the Festival Committee and Groundwater Guardian Team. ■



Water Quality Management



(Above) The Environmental Affairs team trained 28 cast members as licensed Certified Pool Operators to help ensure efficient and safe operation of all water bodies on property including water attractions, pools, spas, and fountains. Their responsibilities include managing circulation systems, filtration, sanitation and oxidation of water, chemical balance, and water-quality analysis. (Right) The Disneyland Resort Environmental Affairs team partnered with artisans to ensure storm drains remained free of contaminants while sand sculptures were constructed during the holiday season.



Behind the Scenes

The Disneyland Resort Environmental Affairs team is responsible for managing environmental programs across the Resort.

(Back Row) Tom Marsden, George Martinez, Bob Weske, Frank Dela Vara, Larry Vick, Janina Jarvis, Donna Baker, Mario Aguayo. (Front Row) Debbie Mills, Herman Schaffer, Curt Gourlay.

Disneyland
RESORT



Universal Waste Collection

The California Universal Waste Rule is a set of regulations outlining the proper management of universal wastes, including a variety of batteries, such as rechargeable nickel-cadmium batteries, silver button batteries, mercury batteries, small sealed lead acid batteries, carbon-zinc batteries, and most alkaline batteries. These materials are exempt from full hazardous waste rules, provided they are in compliance with special standards for universal waste. A recently expanded collection program throughout the Disneyland Resort ensures proper management of the battery collection program in accordance with California Environmental Protection Agency regulations. ■

New Recycling Initiatives

Thousands of plastic bottles are disposed of each day by guests and cast members at the Disneyland Resort. During the summer season, Custodial cast members captured more than 12,000 bottles each day through a new initiative to sort plastic bottles from the solid waste stream. ■



Earth Day 2002



Disneyland Resort environmental team members and Ambassador Christophe Commin hosted an event to measure and increase awareness about environmental issues affecting cast members in their personal and professional lives. Special signage was posted, and cast members participated in a survey to determine their knowledge about environmental issues, such as pollution, air quality, waste minimization, carpooling, and energy conservation. ■



New Hazardous Waste Station

Environmental technicians at the new "JAFAR" hazardous waste station process wastes from Walt Disney Studios and Disneyland Parks. The new station is larger and accommodates equipment to treat liquid waste from paint shops as well as solid hazardous waste, including used batteries, paint cans, oil, and chemicals. This year, the team collected and processed more than 550,000 pounds of hazardous materials, working in compliance with environmental and health and safety regulations for the transport and treatment of hazardous waste. ■



Journée Mondiale de l'Environnement — World Environment Day



In recognition of World Environment Day, June 5, more than 30 cast members from Disney's Davy Crockett Ranch participated in "Green Rush," a competition to clean areas surrounding the bungalows and forest. The teams collected more than 194 pounds of trash and recyclables. ■



Research Improves Water Quality

The Disneyland Resort Paris environmental teams in conjunction with Walt Disney Imagineering Research & Development completed a four-year study to evaluate and improve the water quality of Lake Disney. The lake has a surface area of approximately 20 acres and is located in the heart of the Resort. Each spring, a recreation base opens to support activities for guests, including paddle boats, sailboats, "toobies," parades, and fireworks. The study included an assessment of the long-term risks associated with algae growth, and the development of technical solutions for improved environmental management of the lake. ■



Clean Fuel Vehicles at Work



(Left) Maintenance cast members at Disneyland Park in Paris use alternative fuel vehicles to travel between work locations backstage.

(Below) Compressed natural gas trams transport guests through the Walt Disney Studios Park, a new Theme Park at Disneyland Resort Paris.



Waste Reduction



Cast members at Tokyo Disney Resort support nontraditional recycling initiatives: Custodial team members wear costumes and use dustpans made from recycled-content plastics, and the Disney Resort Line team collects used tickets for a vendor that produces recycled paper and plastic products.

Waste reduction initiatives were incorporated into the design of Tokyo DisneySea, which opened in September 2001. For example, dishwashers were included in the kitchens to reduce the use of disposable tableware, and hand dryers were installed in restrooms to reduce paper towel waste. As a result of these efforts, the expected waste stream was reduced by 50%. In addition, Tokyo Disneyland and Tokyo DisneySea recycled more than seven tons of kitchen and landscape waste in 2001, contributing to a 50% recycling rate at the Resort. ■



Wonderful Nature Hong Kong

In honor of Earth Day, the Hong Kong Disneyland team organized a "Wonderful Nature" tour for children, ages 8-10. Disney VoluntEARS launched the event for 64 children, which included a tour of the island and a three-day, outdoor camping experience to communicate the importance of protecting the environment. Participants in the event included the Hong Kong Agriculture, Fisheries, and Conservation Department; Scout Association of Hong Kong; and the Hong Kong Medical Association. Volunteers helped the children develop outdoor recreational skills, including how to pitch a tent, cook, and administer first-aid treatment. ■



TOKYO Disney RESORT



Cast Members Support Waste Minimization Efforts

Efforts are in place backstage to encourage waste minimization and reuse practices among cast members. At the cafeteria, nondisposable dishware and flatware are used along with reusable chopsticks. Cast members also sort leftovers into bins for compost, reuse, recycling, and garbage.

At the water filtration plant on property, reclaimed water is produced for use in flush systems and irrigation. ■



We've Got
Environmentality!



YOU'D BE NUTS NOT TO CARE.TM

Disney's Commitment
Drive the right way a commitment to drive the right way.
Average before January 2001 goal.

Aloha Summer Carpool Goal
↑
1,840 CARPOOLS

Who Just Regained The Title Of
Smog Capital Of The World?

WE NEED 1,000
DRIVE CARPOOLS
TO SAVE THE EARTH

PLEASE WATCH FOR MANATEES

Disney
VOLUNTEER

Helping Animals Around the World

In conjunction with Earth Day this year, the Disney Wildlife Conservation Fund (DWCF) celebrated eight years of contributions directed toward saving and studying endangered species. Since its inception in 1995, the program has contributed nearly \$5 million across 200 projects stretching from the Florida Keys to Kenya. Throughout 2002, DWCF joined with 32 U.S. nonprofit environmental organizations and presented nearly 50 awards of \$5,000 to \$20,000 to conservationists around the world. The awards covered everything from butterflies to elephants, and focused on protecting and studying endangered species and their habitats in more than 25 countries. In addition, most of these programs included educational or community components to ensure long-term conservation success.



Below is a list of organizations that received a monetary award from the Disney Wildlife Conservation Fund in 2002.

African Elephant Conservation Trust • African Wildlife Foundation • Amazon Conservation Team • Audubon Florida • Avian Research and Conservation Institute • Bat Conservation International • Caribbean Conservation Corporation • Defenders of Wildlife • Dian Fossey Gorilla Fund (The) • Fauna and Flora Preservation Society, Inc. • Fly By Night, Inc. • Friends of Animals • Harbor Branch Oceanographic Institution • International Iguana Foundation • Kinabatangan Orangutan Conservation Project • National Audubon Society • Mote Marine Laboratory • National Fish and Wildlife Foundation • National Wildlife Federation • North Carolina State University • Operation Migration – USA • Perry Institute for Marine Science/Caribbean Marine Research Center • Save the Manatee Club, Inc. • Smithsonian Institution • Sri Lanka Wildlife Conservation Society • Stanford University • Tapir Preservation Fund • Texas A&M University • The Nature Conservancy • The Peregrine Fund • University of Central Florida • University of Florida • University of Georgia • University of Washington • Wildlife Conservation Society • Wildlife Rescue and Conservation Association • Wildlife Trust

A complete description of these programs is available at www.disneyhand.com.

Teamwork for Turtles

Disney's commitment to sea turtle conservation has resulted in partnerships with local communities and produced valuable information that can be used for long-term conservation efforts to protect sea turtles and other wildlife in Florida.

Florida's beaches are the primary nesting sites for both endangered green sea turtles and loggerhead sea turtles. This year, members of the Disney's Animal Programs' team worked in cooperation with the United States Fish and Wildlife Service to enhance beach survey and nesting inventory techniques, which provided a better understanding of sea turtle nesting habitats.

At the Archie Carr National Wildlife Refuge, between Sebastian Inlet and Vero Beach, Disney cast members counted sea turtle tracks on the beach, marked new sea turtle nests, and then determined how many hatchlings survived from each nest.



(Left) A Turtle Troop from Disney's Vero Beach Resort observes a researcher conducting a nest inventory at the Archie Carr National Wildlife Refuge. (Right) Researchers from the University of Central Florida are supported by the Disney Wildlife Conservation Fund.

Once the nesting sites were located, researchers gently removed almost six feet of sand to locate the eggs, which resemble ping pong balls. Once the eggs were identified, the exact depth of each nest was measured and the nesting site was marked for future research. These data are important to scientists trying to determine what factors are critical for nest success. For example, if females dig nests that are too shallow, the nests can be destroyed by heavy rains or high tides; if the nests are too deep, the hatchlings cannot emerge safely.

Disney's Vero Beach Resort has a long-standing commitment to sea turtle conservation. In an effort to share conservation information with guests, a "Turtle Troop" was initiated to give children an opportunity to learn about protecting sea turtle habitats. ■



New Research Technology



Scientists at the Wildlife Tracking Center in Disney's Animal Kingdom use new technology to conduct valuable research about animal reproductive cycles. For example, they measure hormones in blood, urine, saliva, and fecal material to determine stages of puberty, pregnancy, and menopause.

This technology led to an interesting discovery in the hippo research program. The study proved that female hippos experience

puberty at age 3, much earlier than originally expected. This information will be beneficial for zoological institutions developing breeding programs.

Comparing reproductive cycles of animals in the wild and in captivity also generates valuable data. In primates, for instance, fecal samples from wild cotton-top tamarins in Colombia indicated that wild tamarins produce twins once a year while cotton-top tamarins in zoos and laboratories can produce twins every seven months. These studies provide critical information relative to the development of conservation and management plans for both wild and captive species. ■



Research Yields Creative Solutions

The Environment, Materials, and Infrastructure team at Walt Disney Imagineering Research & Development (WDI R&D) includes top research scientists and engineers whose expertise is driving sustainable growth of The Walt Disney Company. The department continued to explore new approaches to sustainability this year and found success in many areas, demonstrating that environmental stewardship can be combined with good business decisions. Some accomplishments of the department are listed below.

- ▶ Developed the design basis for an Integrated Infrastructure design that will be used for the new Hong Kong theme park, resulting in the most energy-efficient theme park and resort ever built.

- ▶ Evaluated economic and operational potential for "water mining" at Walt Disney World that could potentially optimize our reuse water needs and minimize the infrastructure required for supplying this water.

- ▶ Provided scientific advice and subsequent evaluation of tests evaluating the interaction between a material commonly used in interactive water features and the water quality in these attractions.

- ▶ Partnered with Disneyland Resort Horticulture team to enhance integrated pest management programs designed to reduce pesticides through the use of natural predators.

- ▶ Developed an inexpensive method of reducing the amount of nutrients in small lakes to eliminate unsightly algae blooms. ■



At Work in the Field

(Left) Drought conditions during the last two years have affected water quality and volume throughout Central Florida. At Walt Disney World, these concerns were addressed by a team that developed a large-scale model to predict the behavior of long-term effects on Bay Lake and Seven Seas Lagoon.



(Left and Below) Mosquitos and other biting flies can be a nuisance and are potential health risks. As part of an integrated pest management program at Walt Disney World, new technology was introduced in backstage areas to reduce the number of these insects. Below, Craig Duxbury, WDI R&D Senior Technical Staff, examines a trap used in this program.



WALT DISNEY Imagineering

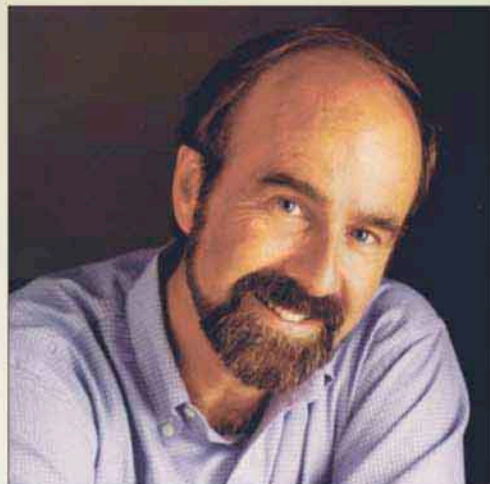


Walt Disney Imagineering Research & Development used the 4D tool to simulate parts of Hong Kong Disneyland during the design phase.

Awards & Acknowledgements

Ben Schwegler, vice president, Walt Disney Imagineering Research & Development, received two prestigious awards this year: The Orange County Engineering Council Outstanding Project Management Award and the American Society of Civil Engineers' Civil Engineering Research Foundation Henry L. Michel Award. Ben was recognized for achievements in improving productivity in the design and construction industry, particularly the 4D design simulation tools.

The 4D tool was developed by WDI R&D in cooperation with Stanford University's Center for Integrated Facility Engineering. First used on Paradise Pier at Disney's California Adventure, the tool is now available commercially and has been used on numerous other projects around the world, including the Disney Concert Hall, a Frank Gehry project and future home of the Los Angeles Philharmonic. It has also been used on hospitals, movie studios, airports, and office buildings. The visual approach embodied by the tool has been especially useful on projects with large, multilingual, culturally diverse work forces. ■



Disney store

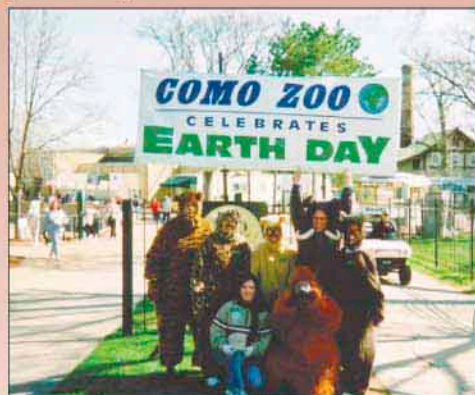
European Distribution Center

Warehouse Services cast members recycle cardboard from the Disney Store European Distribution Centre and U.K. Disney stores. Nearly 3,000 tons of cardboard have been recycled in the past two years.



Disney Store VoluntEARS

In April, Disney Store VoluntEARS participated in a record-breaking 44 different VoluntEARS projects in celebration of Earth Day. Environmental-minded VoluntEARS planted flowers and trees, restored trails at local parks, and distributed educational information at environmental fairs. They also cleaned beaches, zoos, river banks and bays, and cultivated landscapes at homes for the elderly, elementary schools, Ronald McDonald Houses, Boys & Girls Clubs, and youth camps.



VoluntEARS from the Roseville Disney Store in Roseville, Minn., participated in the Como Zoo Earth Day event.

Third Annual Disney Store Environmentality Competition

In honor of Earth Day, Disney Store and the Corporate Environmental Policy Department sponsored the third annual Disney Store Environmentality Competition. The Competition recognized stores that demonstrated exceptional acts of *Environmentality* and cast members across North America who inspired proactive efforts to reduce, reuse, and recycle.

The stores submitted innovative environmental ideas and activities implemented by their teams, including waste minimization, energy conservation, and community outreach and awareness through VoluntEARS projects.



2002 Disney Store Environmentality Competition Winners

1st place



Store #525, Millcreek Mall, Erie, Penn.
"Our cast sees how much goes to waste. Recycling and acting and thinking environmentally is something we all can be a part of. It's encouraging to know our small part helps — not only our Company, but our community and the environment. The entire cast is committed. It's become second nature to them here at the Store, as well as at home. We're still at it. All the way!"
— Dana Case, assistant store manager

Store #764, Palisades Center, West Nyack, N.Y.

"Thinking and acting environmentally is something that each and every one of us can participate in and accomplish. In our Store, even when a guest asks a cast member to throw an item away ... if it's recyclable, cast members tell the guest that we'd like to recycle it instead. The guests enjoy hearing that we're doing something to make our community better. Our cast members love seeing their winning plaque on the wall. It's very special to them, knowing that they each played a role in accomplishing it. We even have a retired cast member who comes by every week to help take care of our recycling. That's how committed this team is to recycling!"

— Susan Rizzo, store manager

2nd place

Store #446, Rosedale Mall, Roseville, Minn.

"I've been at this Store for more than nine years, and we keep recycling more! The Environmentality Competition really motivated us. Whenever someone thought of something new to recycle, we simply added it to our list, and everyone started pitching in! The first Competition, three years ago, got us revved up ... and it's grown from there. We keep a list of all the items we recycle and have labeled all of our containers to keep everyone informed. It's been working great. Every cast member does his or her part. Recycling is something everyone can participate in and really see the difference. It's amazing and motivating to see all that we accumulate."

— Louise Nelson, cast member

3rd place

Store #404, Lynnhaven Mall, Virginia Beach, Va.

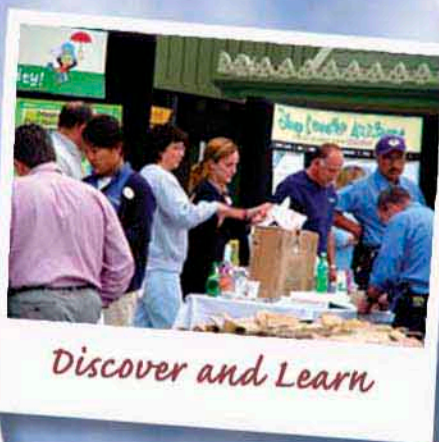
"Our cast is committed to recycling. It's easy to do. And our recycling efforts have naturally spread to our families and friends, and even our guests. Since our mall no longer supports several recycling efforts, our cast has risen to the occasion and taken it upon ourselves to keep labeled boxes backstage to ensure we do our part. Our cast is generous and sees recycling as an opportunity to give back to the community and the environment."

— Jonie McGrath, lead cast member





Create a Recycled Robot



Discover and Learn



Show Your Environmentality



Lend a 'Disney Hand'

Earth Month

April 2002



Take a Healthy Walk



Let Your Conscience Be Your Guide



Send a Colorful Message



Commemorate the Day

Community Outreach

WOW – Wonderful Outdoor World Visits the White House

The WOW program began in Los Angeles, Calif., in 1995, and was built on a philosophy that fosters a belief that the environment and outdoor recreation play an important and positive role in American culture. The program has since expanded to include Arizona, Colorado, Washington, D.C., Utah, and New Mexico.

This year, 12 WOW campers had the experience of a lifetime meeting President George W. Bush and First Lady Laura Bush on the White House lawn as they participated in festivities surrounding the President's announcement of a new fitness initiative. Special activities for participants promoted the theme, "Unlocking America's Natural Health and Fitness Centers for City Kids." ■



WOW Participates in ESPN Great Outdoor Games

ESPN invited 20 lucky children from the WOW-Washington, D.C., program to be WOW "ambassadors" during the ESPN Great Outdoor Games in Lake Placid, N.Y., July 11-14, 2002.

The multi-sport outdoor extravaganza featured world-class athletes from more than 29 states and four countries. These athletes competed for medals and prize money in four sport categories: Sporting Dogs, Fishing, Target Sports, and Timber Events. In addition to watching the events, the WOW "ambassadors" supported an on-site WOW booth, demonstrated their environmental knowledge through an "Urban Leave No Trace" game, visited Lake Placid's "Gold Medal Adventure," camped at the Adirondack Loj, and presented medals to winning athletes during the Great Outdoor Games.

"This is a great initiative that demonstrates ESPN's commitment to making a positive impact in the lives of youth via sports and community involvement," said Juliet Gilliam, director, ESPN Cause Marketing. ■

Jiminy Cricket's Environmentality Challenge

During the past nine years, more than 16,000 fifth grade classes in Florida and California have participated in Jiminy Cricket's Environmentality Challenge. In all, nearly 500,000 children initiated programs to educate peers and community members about the importance of respecting and protecting the environment.

Each year, Roy E. Disney and state dignitaries honor students from the grand prize winning classes during special ceremonies at the Disneyland Resort and Walt Disney World Resort. This year alone, outstanding efforts by participating classes reached more than 600,000 people in the community.



2002 Jiminy Cricket's Environmentality Challenge Awards Recipients

California

Mrs. Stephanie Sparks' class from Miano Elementary school in Los Banos, Calif., were honored at Disney's California Adventure for winning Jiminy Cricket's Environmentality Challenge. The class developed the project "Every Wetland Counts" to educate students and community members about the significance and importance of preserving and protecting wetlands.



The students' accomplishments included developing a Web site, stenciling storm drains in local neighborhoods, distributing educational materials to residents, giving a presentation to the city council, and creating posters to promote details about their progress.

Florida

Mrs. Marguerite Kling's class from Suncoast Elementary in Spring Hill, Fla., celebrated their accomplishments at Disney's Animal Kingdom. The students developed the project "The Problem: Nonpoint Source Pollution; The Solution: You!" to educate their peers and community about the importance of water quality and nonpoint source pollution.

These students developed a puppet show and lesson plan to educate peers, and they created flyers titled "Every Drop Counts," to encourage proactive support from the community. The students also raised \$270 at a Valentine's Day fundraiser, which they donated to the Everglades Foundation. ■



Giving Back to the Community

Disney VoluntEARS throughout the Company demonstrated their support of Earth Month 2002 by participating in environmental volunteer projects. More than 795 cast members and employees at 50 events around the world contributed more than 3,300 hours through a variety of projects including park cleanups, recycling drives, trail restorations, and tree plantings. ■



For more information about Disney Worldwide Outreach programs, please visit www.disneyhand.com.



"I have always enjoyed volunteer efforts and especially those that brought a benefit to the natural beauty of our state. Love and care for the environment is both a physical and spiritual path that links us with tribal people, as the Native Americans, and even the ancient Celts. One doesn't own the land, one shares in a seven-generation trust that teaches passing on a better place than one is given for the future children and the people of the entire world."

THOM PATRICK HANSEN-OSHAUGHNESSY
Walt Disney Filmed Entertainment
(Pictured Center)

Donations Benefit Children's Museum

The Children's Museum of Los Angeles will soon begin construction on a new facility at Hansen Dam. The 20-year-old, nonprofit organization is recognized for exciting children's programs, featuring the Museum 2 Go outreach program. This mobile museum program travels to local schools, shopping malls, and children's events presenting art workshops and

theatre performances to the community.

Many material donations, such as plastic buckets from the El Capitan Theatre and used lighting gels from ABC Studios and The Walt Disney Studios are redirected and used by children to create fabulous art projects such as kaleidoscopes and stained glass. Used, donated set pieces have also

been utilized by children who participated in the Museum's Reading Edge theatre program to enhance their performances.

"We are grateful for the many generous donations from The Walt Disney Company. The Museum operates on a limited budget, and donations allow more of our funds to be directed toward presenting quality children's programming," said Helen Marish, visual arts coordinator. ■



The Museum staff visited a Disney warehouse to select donated pieces for their temporary office space, including tables, chairs, filing cabinets, desks, lamps, and more, saving the organization thousands of dollars.

Community Outreach

America's Second Harvest Food Bank

In Florida, a partnership between the Walt Disney World Resort and the Second Harvest Food Bank of Central Florida produced the Disney Harvest program. This program, which started in 1991, is designed to collect food that is prepared but not served in restaurants and redistribute these meals to local nonprofit agencies. The Walt Disney World Distribution Services team supports the Disney Harvest program, and in 2002 they helped distribute more than 300,000 pounds of food to more than 50 agencies.



In California, the Second Harvest Food Bank of Orange County also coordinates distribution of prepared food from restaurants, caterers, hotels, trade shows, and amusement parks to local agencies through the Food Rescue Program. Last year, more than 350,000 pounds of food were distributed to 160 agencies, including 26,000 pounds donated by the Disneyland Resort. ■

EPA Visits LA Shares



During a trip to Los Angeles, Christie Todd Whitman, Environmental Protection Agency Administrator, visited the LA Shares facility to acknowledge the valuable impact made by contributions to the local community. LA Shares is a nonprofit organization that helps redistribute surplus office supplies and furniture from local businesses to nonprofit organizations and schools throughout Los Angeles County. Disney VoluntEARS helped sort and stock the more than 1,000 tons of materials donated to LA Shares each year. ■

Waste Minimization

Reduce, Reuse, Recycle, Buy Recycled

Waste minimization is an important component of resource conservation, and efforts to reduce overall waste can lead to financial savings. For example, items including electronics, computers, furniture, and office supplies are recycled or redistributed through internal reuse and community donation programs. In 2002, the Company donated materials like these to more than 50 nonprofit organizations, diverting approximately 100,000 pounds from landfills. Traditional recycling programs that captured aluminum, mixed paper, glass, and plastics diverted an additional 6,552 tons. Initiatives are also in place to divert nontraditional items such as shrink wrap and plastic buckets.

Waste minimization can also be accomplished through procurement strategies such as acquiring recycled-content products. This year, the Company spent more than \$2 million on items such as office chairs, promotional merchandise, and printed materials. In addition, employees purchased more than \$750,000 of remanufactured toner cartridges.

Additional initiatives to reduce print materials, increase electronic communications, reduce trash hauling services, and internal reuse of supplies contributed to more than \$250,000 in cost avoidance. ■

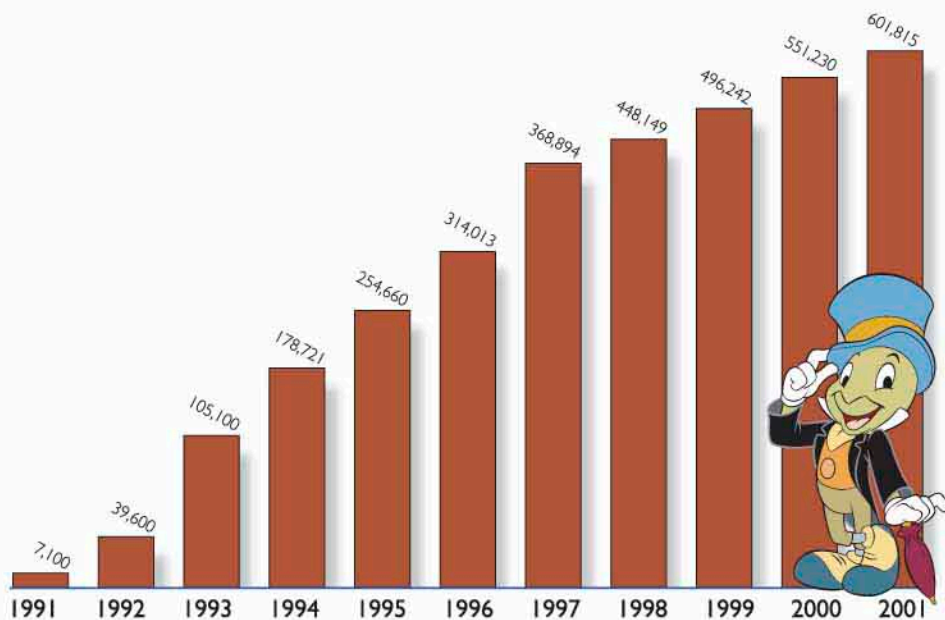


(Above) Cardboard boxes are processed into bales for recycling. In 2001, The Walt Disney Company recycled more than 14,000 tons of cardboard; enough to fill more than 1,000 semi-trucks.

(Right) In 2001, more than 11,000 tons of materials were processed for recycling at the Reedy Creek Improvement District Recovered Materials Processing Facility on Walt Disney World property.

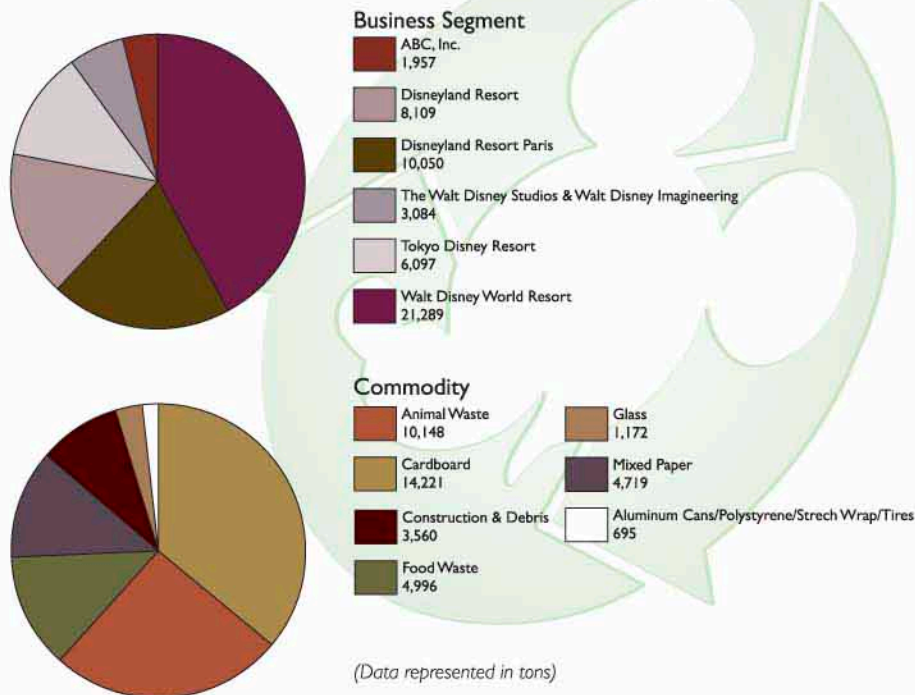
Over 10 Years of Recycling Success!

In 2001, The Walt Disney Company recycled over **50,000 tons** of materials and diverted an additional **90 tons** from landfills through donations and internal reuse programs.



(Cumulative data represented in tons)

2001 Recycling Efforts at a Glance



The Walt Disney Company

Awards & Acknowledgements

2002 Environmental Media Association Award **"Children's Animated Television Program"**

- ▶ *The Legend of Tarzan*, "Tarzan and the Outbreak"

The American Society of Civil Engineers' **Civil Engineering Research Foundation** **"Henry L. Michel Award"**

- ▶ Ben Schwegler, Walt Disney Imagineering Research & Development

California Environmental Protection Agency **Integrated Waste Management Board** **"2002 Waste Reduction Award Program"**

- ▶ ABC TV Hollywood, Disneyland Resort, El Capitan Theatre, Feature Animation, Grand Central Business Center, The Walt Disney Studios

California State and Consumer Services Agency, **California Environmental Protection Agency,** **California Resources Agency, and California** **Technology Trade and Commerce Agency** **"Flex Your Power Certificate of Recognition"**

- ▶ Disneyland Resort

Florida Water Environmental Association & **Florida Department of Environmental Protection** **"David W. York Water Reuse Award,** **Large User Category"**

- ▶ Reedy Creek Improvement District

The Ohio Department of Natural Resources **Division of Recycling and Litter Prevention** **2002 Take Pride, Ohio! Awards Program** **"2001 Cleanup, Ohio! Media Feature Award"**

- ▶ WTVG-TV ABC 13 — Toledo, Ohio

Orange County Engineering Council **"Project Management of the Year Award"**

- ▶ Ben Schwegler, Walt Disney Imagineering Research & Development

Orange County Transit Authority **"Transportation Partnership Award"**

- ▶ The Walt Disney Company and Disneyland Resort

U.S. Environmental Protection Agency **"Commuter Choice Leadership Initiative"**

- ▶ The Walt Disney Company

U.S. Environmental Protection Agency **"WasteWise Partner of the Year Award"**

- ▶ ABC, Inc.; El Capitan Theatre; Feature Animation; Walt Disney Imagineering; and The Walt Disney Studios

U.S. Environmental Protection Agency **"WasteWise Program Champion"**

- ▶ Disneyland Resort

Flex Your Power Energy Conservation

The Disneyland Resort received a Flex Your Power Energy Conservation Certificate of Recognition from the California State and Consumer Services Agency, California Environmental Protection Agency, California Resources Agency, and California Technology Trade and Commerce Agency. The certificate recognized the contributions made by the Disneyland Resort during the statewide power emergency in 2001. To help conserve energy during this time, the Resort took aggressive actions, including strict control of facility and area lighting, increasing temperature set points for air conditioning, and turning off noncritical electrical loads, such as pumps and motors. In addition, the Resort entered into an agreement with the City of Anaheim Public Utilities under which the Resort agreed to turn off operational loads upon request from the City to help avert rolling blackouts in the Anaheim area. Since 2000, the Disneyland Resort reduced energy consumption by more than 15,000,000 KWh through new initiatives like these. ■



Commuter Choice Leadership Initiative

The Walt Disney Company Commuter Transportation Department was recognized at the first-ever national event in Washington, D.C., for the U.S. EPA Commuter Choice Leadership Initiative, a program that recognizes businesses and communities that provide benefits for employees who participate in rideshare opportunities. "The Commuter Choice Leadership Initiative is an innovative voluntary partnership program that helps us simultaneously address two problems that plague many regions of our great country: poor air quality and traffic congestion," Christie Todd Whitman, EPA Administrator, told executives at the event. ■



Waste Reduction Award Program

The California Integrated Waste Management Board recognized ABC TV Hollywood, Disneyland Resort, El Capitan Theatre, Feature Animation, Grand Central Business Center, and The Walt Disney Studios for their efforts to implement waste reduction initiatives. In 2001, efforts included targeted line-of-business training, new recycling processes, paper reductions through electronic communication, and environmentally friendly procurement practices. ■



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