

Risk Factors Comparison 2024-11-14 to 2023-11-21 Form: 10-K

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For an enterprise as large and complex as the Company, a wide range of factors could materially affect future developments and performance. In addition to the factors affecting specific business operations identified in connection with the description of these operations and the financial results of these operations elsewhere in our filings with the SEC, the most significant factors affecting our business include the following: **BUSINESS, ECONOMIC, MARKET and OPERATING CONDITION RISKS RELATED TO OUR BUSINESSES AND INDUSTRY**. Declines in U. S., global, and regional economic conditions generally adversely affect the profitability of our businesses. Declines in economic conditions, such as ~~recession~~ **recessions**, **other less severe slowdowns in economic activity** downturn, and / or inflationary conditions in the U. S. and other regions of the world in which we do business, or a failure of conditions to improve as anticipated typically adversely affect demand **for our products and services** and / or **costs to operate** expenses for one or more of our businesses, reducing our revenue and earnings. Past declines in economic conditions reduced **or resulted in slower growth than expected in, among other things**, guest spending at our parks and resorts, purchases of and prices for advertising on our **platforms** broadcast and cable networks and owned stations, performance of our home entertainment releases, and purchases of Company- branded consumer products, and **we expect** similar impacts can be expected as such conditions recur. Recent inflationary conditions increased certain of our costs, **including at our parks and resorts**. The current **While a number of different factors affect the demand for our products and services, actual or perceived economic conditions could contribute to lower** also have the effect of reducing attendance **or spending** at our parks and resorts **experiences businesses**, prices that MVPDs pay for our cable programming, purchases of and prices for advertising on our DTC products **or and linear platforms**, subscription levels for our cable programming or DTC products **platforms or licensing fees**, while also continuing to increase the prices we pay for goods, services and labor. **Even if inflationary pressures moderate, we expect certain costs, such as for labor, to remain elevated. In addition, an increase in price levels generally, or in price levels in a particular sector, could result in a shift in consumer demand away from the entertainment and experiences we offer, which could also adversely affect our revenues and, at the same time, increase our costs, including borrowing costs as a result of elevated interest rates, making it more difficult to obtain financing for our operations and investments on favorable terms. A decline in economic conditions or a failure of conditions to improve as anticipated could impact implementation or success of our business plans, such as our plans to increase investment in our Experiences segment, the realignment of our cost structure and plans for our DTC ad-supported services, enhancements, pricing structure and price increases**. Unfavorable economic conditions also impair the ability of those with whom we do business to satisfy their obligations to us. **The** **In addition, an increase in price levels generally, or in price levels in a particular sector, could result in a shift in consumer demand away from the entertainment and experiences we offer, which could also adversely** **adverse affect impact on our businesses of actual our or perceived revenues and, at the same time, increase our costs. A decline declines** in economic conditions or a failure of conditions to improve as anticipated **could will depend, in part, on their severity and duration and our ability to mitigate these impacts on our businesses is limited. Fluctuations in foreign currency exchange rates impact implementation or our success revenues and the profitability of our business businesses plans, such as our plans to increase investment in our Experiences segment, the realignment of our cost structure and plans for our DTC ad-supported services, enhancements, pricing structure and price increases. Fluctuations** **In addition, actions to reduce inflation, including raising interest rates, increase our cost of borrowing, which in turn make it more difficult to obtain financing for our operations or investments on favorable terms. Further, global economic conditions impact foreign currency exchange rates against the U. S. dollar impact our revenues and the profitability of our businesses, including by impacting the cost in U. S. dollars of providing our goods and services, our revenues in U. S. dollars generated by our international businesses and the international demand for our domestic products and services**. The current or continued strength in the value of the U. S. dollar **has adversely impacted impacts** the U. S. dollar value of revenue we receive and expect to receive from other markets and **may contributes to reduce reduced international demand for our domestic products and services, including international travel to our domestic parks and resorts. A decrease in the value of the U. S. dollar often increases the cost of labor, goods and services in, or originating from, non- U. S. markets**. Although we hedge exposure to **fluctuations in** certain foreign **currency currencies** fluctuations, any such hedging activity may not substantially offset the negative financial impact of exchange rate fluctuations and is not expected to offset all such negative financial impact, particularly in periods of sustained U. S. dollar strength relative to multiple foreign currencies. Further, economic or political conditions in **certain** countries outside the U. S. also have reduced, and could continue to reduce, our ability to hedge exposure to currency fluctuations in those countries or our ability to repatriate revenue from those countries. **Broader or targeted supply chain delays, such as those that have impacted global distribution from time to time, may further exacerbate inflationary pressures and impact our ability to sell and deliver goods or otherwise disrupt our operations. The adverse impact on our businesses of declines in economic conditions or a failure of conditions to improve as anticipated will depend, in part, on the severity and duration of such economic conditions and our ability to mitigate the impacts of economic conditions on our businesses may be limited.** Changes in technology, in consumer consumption patterns and in how entertainment products are created affect demand for our entertainment products, the revenue we can generate from these products and the cost of producing or distributing these products. The media entertainment and **internet technology** businesses in which we participate increasingly depend on our ability to successfully adapt to new technologies including shifting patterns of content consumption and how entertainment products are generated. New technologies affect the demand for our products,

the manner in which our products are distributed to consumers, **the** ways we charge for and receive revenue for our entertainment products and the stability of those revenue streams, the sources and nature of competing content offerings, the time and manner in which consumers acquire and view some of our entertainment products and the options available to advertisers for reaching their desired audiences. These developments have impacted the business model for certain traditional forms of distribution, as evidenced by the industry- wide decline in ratings for broadcast and cable television, the reduction in demand for home entertainment sales of theatrical content, the development of alternative distribution channels for broadcast and cable programming and declines in subscriber levels for traditional cable channels. These **trends developments** have decreased advertising and affiliate revenue at some of our linear networks **and have led, and may lead in the future, to the impairment of the value of certain of our assets**. In addition, theater- going to watch movies **has remained** ~~currently is, and may continue to be,~~ below pre- **pandemic COVID-19** levels. Rules governing new technological developments, such as developments in ~~generative~~ artificial intelligence (AI), **including generative AI and large language model tools**, remain unsettled, and these developments may affect aspects of our existing business model, including revenue streams for the use of our IP ~~and,~~ how we create our entertainment products **and the competition we face**. In order to respond to the impact of new technologies on our businesses, we regularly consider, and from time to time implement **new initiatives and** changes to our business models, **including** ~~most recently~~ by developing, investing in and acquiring DTC products, reorganizing our media and entertainment businesses to advance our DTC strategies ~~and~~ developing new media offerings. There can be no assurance that our DTC offerings, new media offerings and other efforts will successfully respond to technological changes. In addition, declines in certain traditional forms of distribution **impacts may increase** the cost of content allocable to our DTC offerings, negatively impacting the profitability of our DTC offerings. ~~We expect to~~ **As part of our DTC strategy, we forgo certain** revenue from **certain** traditional sources ~~, particularly as we expand invest in~~ our DTC offerings. ~~To date~~ **Since launch,** our DTC streaming services ~~have~~ experienced significant losses. There can be no assurance that the DTC model and other business models we may develop will ~~ultimately each~~ **be or remain** profitable ~~or~~ **be** as profitable **over the long term** as our ~~existing or~~ historic business models. We face risks relating to misalignment with public and consumer tastes and preferences for entertainment, travel and consumer products, which impact demand for our entertainment offerings and products and the profitability of ~~any of~~ our businesses. Our businesses create entertainment, travel and consumer products ~~whose,~~ **the** success of **which** depends substantially on consumer tastes and preferences that change in often unpredictable ways. The success of our businesses depends on our ability to consistently ~~create~~ **produce** compelling **creative** content, which may be distributed, among other ways, through **DTC platforms,** broadcast, cable, theaters, ~~internet or mobile technology,~~ and used in theme park attractions, hotels and other resort facilities and travel experiences and consumer products. Such distribution must meet the changing preferences of the broad consumer market and respond to competition from an expanding array of choices facilitated by technological developments in the delivery of content. The success of our theme parks, resorts, cruise ships and experiences, as well as our theatrical releases, depends on demand for ~~public or~~ out- of- home entertainment experiences. Demand for certain out- of- home entertainment experiences, such as theater- going to watch movies, has not returned to pre- pandemic levels. In addition, many of our businesses ~~increasingly~~ depend on acceptance of our offerings and products by consumers outside the U. S. The success of our businesses therefore depends on our ability to successfully predict and adapt to ~~changing~~ **continually evolving** consumer tastes and preferences outside as well as inside the U. S. Moreover, we must often ~~invest~~ **make** substantial ~~amounts~~ **investments** in content production and acquisition, acquisition of sports **and programming** rights, ~~launch of new sports related studio programming,~~ theme park attractions, cruise ships or hotels and other facilities or customer facing platforms before we know the extent to which these products will earn consumer acceptance, and ~~these~~ **the** products may be ~~introduced into a market,~~ **economic or social conditions are sometimes** significantly different ~~market or economic or social climate~~ from the ~~one~~ **ones** we anticipated at the time of the investment decisions. **Further, preferences of some consumers are affected by their perceptions of our position on matters of public interest, including regarding environmental and social issues.** Generally, ~~our~~ revenues ~~from,~~ and profitability ~~of,~~ **each of our businesses** are adversely impacted when our entertainment offerings and products, as well as our methods to make our offerings and products available to consumers, do not **align with constantly evolving consumer preferences and tastes or** achieve sufficient consumer acceptance. ~~Further,~~ **consumers' perceptions of our..... on our operations or financial results.** A variety of uncontrollable events ~~may~~ disrupt our businesses, reduce demand for or consumption of our products and services, impair our ability to provide our products and services or increase the cost or reduce the profitability of providing our products and services. The operation and profitability of our businesses and demand for and consumption of our products and services, particularly our parks and experiences businesses, are highly dependent on the general environment for travel and tourism, including in the specific regions in which our parks and experiences businesses operate. In addition, we have extensive international operations, including our international theme parks and resorts, which are dependent on domestic and international regulations consistent with trade and investment in those regions. The operation of our businesses and the environment for travel and tourism, as well as demand for and consumption of our other entertainment products, ~~can be~~ **is subject to** significantly ~~significant~~ **adversely** ~~adverse~~ **affected impact** in the U. S., globally or in specific regions as a result of a variety of factors beyond our control, including: health concerns (~~including as it has been by COVID-19 and could be by future health outbreaks and pandemics~~); adverse weather conditions arising from short- term weather patterns or long- term climate change, including longer and more regular excessive heat conditions, catastrophic events or natural disasters (such as excessive heat or rain, hurricanes, typhoons, floods, droughts, tsunamis and earthquakes); international, political or military developments, including trade and other international disputes and social unrest; macroeconomic conditions, including a decline in economic activity, inflation and foreign exchange rates; and terrorist attacks. These events and others, such as fluctuations in travel and energy costs, **supply chain disruptions** and ~~computer virus malware~~ **and other cyber- related** attacks ~~, or~~ intrusions or other widespread computing ~~or,~~ telecommunications ~~or~~ **payment processing** failures, **from time to time have disrupted, and** may also ~~damage~~ **in the future disrupt,** our ability to provide our

products and services or **in certain instances may affect our ability** to obtain insurance coverage with respect to some of these events. An incident **or other event** that affected our property directly, **including a security incident, earthquake or hurricane**, would have a direct impact on our ability to provide goods and services and could **result in closure of impacted operations or** have an extended effect of discouraging consumers from attending our facilities. Moreover, the costs of protecting against such incidents reduces the profitability of our operations. For example, COVID-19 and measures to prevent its spread impacted our businesses in a number of ways, **including most significantly at the closure of Experiences segment where our theme parks and resorts were closed and, suspension of** cruise ship sailings and guided tours were suspended. In addition, we delayed, or in some cases, shortened or canceled, theatrical releases and experienced disruptions in the production and availability of content ~~Collectively~~, **significantly reducing revenues across all of our impacted segments. Certain of our businesses -- business historically operations** have been the source of the majority of our revenue **temporarily disrupted by payment processing outages and widespread computing failures**. In addition, hurricanes ~~Hurricanes~~, such as **Hurricanes Helene and Milton, which in the case of Hurricane Milton caused Walt Disney World Resort theme parks in Florida to close for one full and partial day**, have impacted the **operations and** profitability of Walt Disney World Resort and may do so in the future. The Company has paused certain operations in certain regions, including in response to sanctions, trade restrictions and related developments and the profitability of certain operations has been impacted as a result of events in the corresponding regions. In addition, we derive affiliate fees and royalties from the distribution of our programming, sales of our licensed goods and services by third parties, and the management of businesses operated under brands licensed from the Company, and we are therefore dependent on the successes of those third parties for that portion of our revenue. The profitability of one or more of our businesses could be adversely impacted by the significant contraction of distribution channels for our products and services, including through third-party licensees or sellers of our licensed goods and services. In addition, third-party suppliers provide products and services essential to the operation of a number of our businesses. A wide variety of factors could influence the success of those third parties and if negative factors significantly impacted a sufficient number of those third parties or materially impacted a supplier of a significant product or service, the profitability of one or more of our businesses could be adversely affected. In specific geographic markets, we have experienced delayed and / or partial payments from certain third parties due to liquidity issues. We obtain insurance against the risk of losses relating to some of these events, generally including certain physical damage to our property and resulting business interruption, certain injuries occurring on our property and some liabilities for alleged breach of legal responsibilities. When insurance is obtained it is subject to deductibles, exclusions, terms, conditions and limits of liability. The types and levels of coverage we obtain vary from time to time depending on our view of the likelihood of specific types and levels of loss in relation to the cost of obtaining coverage for such types and levels of loss and we may experience material losses not covered by our insurance, **which could be material**. We face risks related to changes in our business strategy ~~or restructuring of our businesses~~, which have affected and may continue to affect our cost structure, the profitability of our businesses **and /** or the value of our assets. ~~As~~ **We adjust our business strategies from time to time in connection with** changes in **senior management and in our efforts to respond to changes in technology, consumer purchasing and consumption patterns, acceptance of our entertainment offerings, the market for advertising, macroeconomic conditions and other changes in the** business environment ~~occur we have adjusted, continue to adjust and may further adjust our business strategies to meet these changes and we may otherwise decide to further restructure our operations or particular businesses or assets~~. For example, **in fiscal 2024, we announced entering into a definitive agreement to transfer Star India into a joint venture and related impairment charges;** in fiscal 2023, we reorganized our media and entertainment operations, which had been previously reported in one segment, into two segments, Entertainment and Sports; in fiscal 2023 we announced that we would review content, primarily on our DTC services, for alignment with a strategic change in our approach to content curation, resulting in removal of certain content from our platforms and related impairment charges; in fiscal 2022, we announced plans to introduce an ad-supported Disney service, new pricing model and price increases and cost realignment; ~~in fiscal 2021, we announced the closure of a substantial number of our Disney-branded retail stores;~~ and we have announced exploration of a number of new types of businesses. Changes in strategy, such as was the case with the most recent reorganization of our media and entertainment operations, can lead to workforce disruptions. Our new **business organization and** strategies are, among other things, subject to execution risk and may not produce the anticipated benefits, such as supporting our growth strategies and enhancing shareholder value. For example, notwithstanding our ~~announced plans~~ **continuing efforts** to rationalize costs, the ~~costs~~ **cost of executing on** our DTC strategy, ~~and associated losses,~~ may continue to grow or be reduced more slowly than anticipated, which may impact our distribution strategy across businesses / distribution platforms, the types of content we distribute through various businesses / distribution platforms, ~~and the timing and sequencing of content windows~~ **and ultimately, the profitability of our DTC products and other businesses / distribution platforms**. ~~Our~~ **Over the long term, our** new organization and strategies could be less successful than our previous organizational structure and strategies. In addition, ~~external events including~~ changing technology, ~~changing~~ consumer purchasing patterns, ~~and~~ acceptance of content offerings and ~~changes in~~ macroeconomic conditions may impair the value of our assets. ~~We~~ **When these changes or events occur, we have incurred and may continue to incur costs to in connection with change changes to** our business strategy and have needed and may in the future need to write-down the value of **our** assets. ~~In addition to the content impairment noted above, among~~ **Among** other assets, we have impaired **the value of our content primarily at our DTC services and** goodwill and intangible assets at our linear networks and impaired the value of certain of our retail store assets. We may write down other assets as our strategy evolves to account for the ~~current~~ business environment. We also make investments in existing or new businesses, including investments in international expansion of our business and in new business lines. For example, in fiscal ~~2023~~ **2024**, we announced ~~that we are developing plans to accelerate~~ **for additional expansion of our fleet of cruise ships, and in recent years to** expand investment in our Experiences segment. In addition, in recent years, ~~other we have made significant~~ investments have included **in our businesses, such as** expansion and renovation

of certain of our theme parks, **additional expansion of our fleet of** cruise ships, the acquisition of TFCF Corporation (TFCF) and investments related to DTC offerings. **The ultimate success of these investments is uncertain, Some some** of these and future investments may ultimately result in returns that are negative or low **lower than anticipated**, the ultimate business prospects of the businesses related to these investments are uncertain, and these investments may impact the resources available to, and the profitability of, our other businesses. In addition, our costs may increase **in connection with these investments, such as additional expenses incurred with the launch on new cruise ships, and** we may have significant charges associated with the write-down of assets **if the investments are not as successful as anticipated**, as occurred in connection with the closure of Star Wars: Galactic Starcruiser or **returns on new investments may be negative or lower than prior to the change in strategy or restructuring**. Even if our strategies are effective in the long term, our new offerings will generally not be profitable in the short term, **growth results** of our new offerings **is are** unlikely to be even quarter over quarter and we may not expand into new markets as or when anticipated. Our ability to forecast for new businesses **is may be** impacted by our lack of experience operating in those new businesses, speed with which the competitive landscape changes, volatility beyond our control (such as the events beyond our control noted above) and our ability to obtain or develop the content and rights on which our projections are based. Accordingly, we may not achieve our forecasted outcomes. Increased competitive pressures impact our revenues **and** **increase our costs and impact the profitability of our businesses**. We face substantial competition in each of our businesses from alternative providers of the products and services we offer and from other forms of entertainment, lodging, tourism and recreational activities. This includes, among other types, competition for human resources, content and other resources we require in operating our business. For example:

- Our programming and production operations compete to obtain creative, performing, production and business talent, sports and other programming, story properties, advertiser support, production facilities and market share with traditional and new media platforms, including other **video- on- demand services studio operators, television networks, VOD providers and other sources of broadband delivered content, studio operators and television networks**.
- Our television networks and stations and DTC offerings compete for the sale of advertising time with traditional and new media platforms, including other television and **VOD video- on- demand services, as well as with newspapers, magazines, billboards and radio stations**, and various forms of internet and mobile delivered content, which offer advertising delivery technologies that are more targeted than can be achieved through traditional means, **as well as with newspapers, magazines, billboards and radio stations**.
- Our television networks compete for carriage of their programming with other programming providers.
- Our theme parks and resorts **and experiences** compete for guests with all other forms of entertainment, lodging, tourism and recreation activities and compete for **technology**, creative, performing and business talent, including with other theme park and resort operators.
- Our content sales / licensing operations compete for customers with all other forms of entertainment.
- Our consumer products business competes with other licensors and creators of IP.
- Our DTC streaming services compete for customers with an increasing number of competitors' DTC offerings, all other forms of media and all other forms of entertainment, as well as for technology, creative, performing and business talent and for content.

Technological developments, including developments in generative AI tools that can be used to create competing low-cost content, and changes in market structure, including consolidation of suppliers of resources and distribution channels, increase Competition competition in each of these areas may further increase as a result of technological developments and changes in market structure, including consolidation of suppliers of resources and distribution channels. Increased competition **raises has increased, and may continue to increase**, the cost of programming, including **for sports and other products**, and diverts consumers from **or our products and services or to other products and services or other forms of entertainment and experiences**. In addition, given the nature of travel planning, consumers typically **delays delay** their consumption of **certain of our creative or our other products and services, such as or our to other theme parks and resorts, in connection with planned major products- product launches or other forms of entertainment and experiences, which regional travel industry competitors. Each of these competitive pressures** could reduce our revenue **or and** increase our marketing costs. Competition for the acquisition of resources can further increase the cost of producing our products and services; change the composition of our offerings, including sports; deprive us of talent needed for our entertainment and experiences businesses, including the talent necessary to produce high quality creative material; increase employee turnover and staffing instability; or increase **the our labor cost costs of compensation for our employees**. Such competition **Competition may also reduce reduces, or limit-limits** growth in, prices for our products and services, including advertising rates and subscription fees at our **media-linear** networks and DTC offerings, parks and resorts admissions and room rates and prices for consumer products from which we derive license revenues. **Our results may be adversely affected if We face risks related to the renewal of** long- term programming or distribution contracts **are not renewed** on sufficiently favorable terms. We enter into long- term contracts for both the acquisition and the distribution of media programming and products, including contracts for the acquisition of programming rights for sporting events and other programs, and contracts for the distribution of our programming to content distributors. As these contracts expire, we **must** renew or renegotiate the contracts, which from time to time has led to service blackouts when distribution contracts expired before renewal terms were agreed **and**, **We may lose programming rights or distribution rights** if we are unable to renew these contracts on acceptable terms **we may lose programming rights or distribution rights**. As a result, our portfolio of **acquired** programming rights **we acquire, such as sporting events**, and the distributors of our programming and the portfolio of programming rights our distributors acquire have changed and **may will** continue to change over time. Even if these contracts are renewed, the cost of obtaining certain programming rights has increased and may continue to increase (or increase at faster rates than our historical experience) and programming distributors, facing pressures resulting from increased subscription fees and alternative distribution **challenges channels**, **have demanded and may continue to demand** terms (including with respect to the pricing for, and the nature and amount of, programming distributed) that reduce our revenue from distribution of programs (or increase revenue at slower rates than our historical experience). For example, **a the terms of recent renewals of carriage agreement agreements renewal have**

includes ~~included~~ fewer of our linear networks but provides ~~or the opportunity to offer multiple genre- specific bundle options of fewer than all our linear networks while providing~~ for certain of our DTC streaming services to be made available to the distributor's subscribers. Moreover, our ability to renew these contracts on favorable terms ~~is~~ may be affected by a number of factors, such as consolidation in the market for program distribution and the entrance of new participants in the market for distribution of content on digital platforms. With respect to the acquisition of programming rights, particularly sports programming rights, the impact of these long- term contracts on our results over the term of the contracts depends on a number of factors, including the strength of advertising markets, subscription levels and programming rights costs increases, effectiveness of marketing efforts and the size of viewer audiences. There can be no assurance that revenues from programming based on these rights will exceed the cost of the rights plus the other costs of producing and distributing the programming.

~~Regulations applicable~~ ~~We face risks related~~ to our businesses may impair the profitability of..... the sale of goods. • ~~Environmental~~ ~~environmental~~ protection regulations. • U. S..... law alone governed these operations. Environmental, social and governance matters and any related reporting obligations ~~may impact our businesses~~. U. S. and international regulators, investors and other stakeholders are increasingly focused on environmental, social and governance matters. For example, new domestic and international laws and regulations relating to environmental, social and governance matters, including environmental sustainability ~~and~~, climate change, ~~human rights and~~ human capital management ~~and cybersecurity~~, ~~have been adopted or~~ are under consideration ~~or being adopted~~, ~~some of~~ which may include specific, target- driven disclosure requirements or obligations. Our response ~~has will require~~ increased ~~our compliance~~ costs to comply, ~~including from~~ ~~increased investment in technology and appropriate expertise and required~~ the implementation of new reporting processes, entailing additional compliance risk ~~, a skilled workforce and other incremental investments~~. In addition, we have undertaken or announced a number of related actions and goals, which will require changes to operations and ongoing investment. There is no assurance that our initiatives will achieve their intended outcomes or that we will achieve any of these goals. Consumer, government and other stakeholder perceptions of our ~~initiatives~~ efforts to achieve these objectives often differ widely and present risks to our reputation and brands. In addition, our ability to implement some initiatives or achieve some goals is dependent on external factors. For example, our ability to meet certain environmental sustainability goals or initiatives will depend in part on third- party collaboration, the availability of suppliers that can satisfy new requirements, mitigation innovations and / or the availability of economically feasible solutions at scale. ~~We face risks related to~~ ~~Damage damage~~ to our reputation or brands ~~may negatively impact our Company across businesses and regions~~. Our reputation and globally recognizable brands are integral to the success of our businesses. Because our brands engage consumers across our businesses, ~~some types of~~ damage to our reputation or brands ~~in one business may~~ have an impact on ~~all of~~ our other businesses. Because some of our brands are globally recognized, ~~some types of~~ brand damage ~~may are~~ not be locally contained. Maintenance of the reputation of our Company and brands depends on many factors, including the quality of our offerings, maintenance of trust with our customers and our ability to successfully innovate. In addition, we may pursue brand or product integration combining previously separate brands or products targeting different audiences under one brand or pursue other business initiatives inconsistent with one or more of our brands, and there is no assurance that these initiatives will be accepted by our customers and not adversely impact one or more of our brands. Significant negative claims or publicity regarding the Company or its operations, products, management, employees, practices, business partners, business decisions, social responsibility and culture, which may be amplified by social media, adversely impact our brands or reputation, even if such claims are untrue. Damage to our reputation or brands could impact our sales, business opportunities, profitability, recruiting and valuation of our securities. Various risks may impact the success of our DTC streaming services. ~~We may not successfully execute on our DTC strategy~~. The success of our DTC strategy and profitability of our DTC streaming services will be impacted by the success of the reorganization of our media and entertainment business and ~~the strategic change in our approach to content curation initiated in fiscal 2023~~; our ability to ~~advance our DTC strategies~~, drive subscriber additions and retention based on the attractiveness of our content, manage churn ~~in reaction to price increases~~, achieve the desired financial impact of ~~our DTC pricing, bundling and distribution determinations~~, the Disney ad supported service, ~~monetization~~ pricing model and price increases, our ability to execute on ~~cost realignment~~ ~~containment strategy and the launch of the ESPN flagship DTC service~~; and the effects of our determinations with regard to distribution for our creative content across windows. The initial costs of marketing campaigns are generally recognized in the business of initial exploitation, and amortization of capitalized production costs and licensed programming rights are generally allocated across businesses based on the estimated relative value of the distribution windows. Accordingly, our distribution determinations impact the costs of each business, including the applicable DTC service. There are a number of competing DTC businesses. Consumers may not be willing to pay for an expanding set of DTC streaming services at increasing prices, potentially exacerbated by ~~an challenging~~ economic ~~downturn~~ ~~conditions, such as~~ ~~during periods of high inflation or declines in economic activity~~. In addition, ~~such~~ economic ~~downturns~~ ~~conditions~~ negatively impact the purchase of and price for advertising on our DTC streaming services. We face competition for creative talent and sports and other programming rights and ~~may are sometimes~~ not be successful in recruiting and retaining talent and obtaining desired programming rights ~~or and~~ face increased costs to do so. ~~We~~ Acquisition of new subscribers to our DTC streaming services is not linear, and we have experienced ~~flat subscriber growth or~~ net losses of subscribers in ~~some~~ periods. Our content does not always successfully attract and retain subscribers in the quantities that we expect. Our content is subject to cost pressures and may cost more than we expect. We may not successfully manage our costs to meet our profitability goals. Government regulation, including revised foreign content and ownership regulations as well as government- imposed content restrictions, impacts the implementation of our DTC business plans. The highly competitive environment in which we operate puts pricing pressure on our DTC offerings and may require us to lower our prices or not take price increases to attract or retain customers or lead to higher churn rates. These and other risks may impact the profitability and success of our DTC streaming services. Potential credit ratings actions, increases in interest rates, or volatility in the U. S. and global financial markets could

impede access to, or increase the cost of, financing our operations and investments. Our borrowing costs have been and can be affected by short- and long- term debt ratings assigned by independent nationally recognized ratings agencies that are based, in part, on the Company's performance as measured by credit metrics such as leverage and interest coverage ratios. As a result of **Our elevated indebtedness and leverage ratios in response to** the financial impact of COVID- 19 on our businesses ; **Standard** **resulted in S & P Global Ratings** and **Fitch Ratings** **downgrading** our long- term debt ratings by two notches to BBB and downgraded our short- term debt ratings by one notch to A- 2. Fitch downgraded our long- and short- term credit ratings by one notch to A- and F2, respectively. On June 5, 2023, Standard and Poor's upgraded our long- term debt ratings by one notch to A-. As of September 30 **28**, 2023 **2024** , Moody's **Ratings** Investors Service's long- and short- term debt ratings for the Company were A2 and P- 1 (Stable), respectively ; **Standard and Poor ; S & P Global Ratings** ' s long- and short- term debt ratings for the Company were A- and A- 2 (Positive), respectively ; ; and Fitch **Ratings** ' s long- and short- term debt ratings for the Company were A- and F2 (Stable), respectively. Any future downgrades could increase our cost of borrowing and / or make it more difficult for us to obtain financing on acceptable terms. In addition, increases in interest rates have increased our cost of borrowing and volatility in U. S. and global financial markets could impact our access to, or further increase the cost of, financing. Past disruptions in the U. S. and global credit and equity markets made it more difficult for many businesses to obtain financing on acceptable terms. These conditions tended to increase the cost of borrowing and if they recur, our cost of borrowing could increase and it may be more difficult to obtain financing for our operations or investments. Elevated indebtedness or leverage ratios could adversely affect us, including by decreasing our business flexibility. Elevated indebtedness could have the effect of, among other things, reducing our financial flexibility and our ability to respond to changing business and economic conditions and other uncontrollable events. Debt repayment obligations could also reduce funds available for investments, capital expenditures, share repurchases and dividends, and other activities and may create competitive disadvantages for us relative to other companies with lower debt levels. Our leverage ratios increased as the result of COVID- 19' s impact on financial performance, which caused certain of the credit ratings agencies to downgrade their assessment of our credit ratings. Downgrades to our **debt credit rating ratings** may negatively impact our cost of borrowings and / or make it more difficult for us to obtain financing on acceptable terms. Labor disputes disrupt our operations and **may** adversely affect the profitability **of one or more** of our businesses. A significant number of employees in various parts of our businesses, including employees of our theme parks, and writers, directors, actors and production personnel for our productions are covered by collective bargaining agreements. In addition, some of our employees outside the U. S. are represented by works councils, trade unions or other employee associations. Further, **the some** employees of licensees who manufacture and retailers who sell our licensed consumer products, and employees of providers of programming content (such as sports leagues) **are may** **be** covered by labor agreements with their employers. From time to time, collective bargaining agreements and other labor agreements expire, requiring renegotiation of their terms. In general, labor disputes and work stoppages involving our employees; persons employed on our productions; athletes or others employed by, or otherwise connected with, sports leagues or organizers; or the employees of our licensees or retailers who sell our licensed consumer products or providers of programming content may disrupt **our** **or lead to closure of certain** operations and reduce our revenues **and the profitability of our businesses** . For example, **in fiscal** on May 2, 2023, members of the Writers Guild of America (WGA) commenced a work stoppage, which lasted for almost five months . **On July 14** , **and 2023** , members of SAG- AFTRA, the union representing television and movie actors, also commenced a work stoppage, which lasted for almost four months. These work stoppages **affected** **have impacted** our productions and the pipeline for programming and theatrical releases, which **could result** **resulted** in reduced revenue **for the impacted businesses** and have an adverse effect on our profitability. The new collective bargaining agreements with **the these Directors and another entertainment** Guild guild of America, WGA and **recently with certain labor unions at our domestic parks and resorts will increase our costs to create our content and to operate our domestic parks and resorts, respectively. In July 2024, members of SAG- AFTRA will lead to increased costs to create content** commenced a work stoppage against video game employers, which is ongoing. **As a general matter, resolution of labor disputes and negotiation of new collective bargaining agreements** , including as a result of **increases in rates, residuals and benefits** . Generally, resolution of disputes or negotiation of new agreements, including rate increases and other changes to employee benefits, has in the past increased our costs and may increase our costs in the future. The seasonality of certain of our businesses and timing of certain of our product offerings could exacerbate negative impacts on our operations. Each of our businesses is normally subject to seasonal variations and variations in connection with the timing of our product offerings, including as follows: • Revenues at the Experiences segment fluctuate with changes in theme park attendance and resort occupancy resulting from the seasonal nature of vacation travel and leisure activities and seasonal consumer purchasing behavior, which generally results in increased revenues during the Company' s first and fourth fiscal quarters. Peak attendance and resort occupancy generally occur during the summer months when school vacations occur and during early winter and spring holiday periods. Revenues at the Experiences segment also **may sometimes** fluctuate with changes in theme park attendance and resort occupancy resulting from special celebrations or events that **may** increase demand in the applicable periods and decrease demand in prior or later periods as guests time their vacations to occur during such special celebrations or events. In addition, licensing revenues fluctuate with the timing and performance of our theatrical releases and cable programming broadcasts. • Revenues from television networks and stations are subject to seasonal advertising patterns and changes in viewership levels, including related to certain sporting events. In general, domestic general entertainment linear networks advertising revenues are typically somewhat higher during the fall and somewhat lower during the summer months, and sports advertising revenues are impacted by the timing of sports seasons and events, which varies throughout the year **and /** or **may** take place periodically. • Revenues from content sales / licensing fluctuate due to the timing of content releases across various distribution markets. Release dates and methods are determined by a number of factors, including, among others, competition, and the timing of vacation and holiday periods. • DTC revenues fluctuate based on: changes in the number of

subscribers, mix of subscribers to different offerings and subscriber fees; viewership levels; and the demand for sports and film and television content. Each of these ~~may depend on~~ **is sensitive to** the availability of content, which varies from time to time throughout the year based on, among other things, sports seasons, content production schedules and sports league work stoppages. Accordingly, negative impacts on our business occurring during a time of typical high seasonal demand such as our park closures due to ~~COVID-19 restrictions or~~ hurricane damage during the summer travel season or other high seasons, could have a disproportionate effect on the results of that business for the year. Our operations are impacted by our ability to attract and retain employees and costs of employee wages and health, welfare and ~~pension-retirement~~ benefits, including postretirement medical benefits for some employees and retirees, may reduce our profitability. With approximately ~~225-233~~, 000 employees, the success of our businesses is substantially affected by our ability to attract and retain a workforce with the necessary skills for our varied businesses, including executing successfully on succession planning for the talent at all levels necessary to advance the Company's key objectives and strategies. Further, our profitability is substantially affected by labor costs, including wages and our health, welfare and ~~pension-retirement~~ benefits, including the costs of medical benefits for current employees and the costs of postretirement medical benefits for some current employees and retirees. We may experience significant increases in these costs as a result of macroeconomic, regulatory, competitive and other factors. For example, labor costs in our parks and resorts have increased, and we expect will continue to increase, as a result of collective bargaining agreements and wage laws and regulations where we operate. ~~Future~~ **Further, certain conditions in the health-healthcare outbreaks and pandemics industry, such as prolonged workforce shortages or rising prescription drug prices,** may lead to an increase in the cost of medical insurance and expenses. In addition, **for benefits provided to certain employees,** changes in **asset values,** investment returns and discount rates used to calculate pension and postretirement medical expense and related assets and liabilities can be volatile and may have an unfavorable impact on our costs in some years. These ~~macroeconomic factors as well as a decline in the fair value of pension and postretirement medical plan assets may also put upward pressure on the cost of providing pension and postretirement medical benefits and may increase future funding requirements for these benefit plans.~~ There can be no assurance that we will succeed in attracting and retaining the human resources necessary for the success of our businesses or in limiting cost increases from wages and other employee benefits, which could reduce the profitability of our businesses. We face risks related to costs and expenses in connection with the acquisition of ~~NBCU- NBC Universal's (NBCU)~~ equity interest in Hulu and the TFCF acquisition. On November 1, 2023, NBCU exercised its right to require the Company to purchase NBCU's equity interest in Hulu under a put / call arrangement between the parties. The purchase price for NBCU's equity interest in Hulu will be determined based on NBCU's equity ownership percentage of the greater of Hulu's equity fair value as of September 30, 2023 **based on a contractual appraisal process**, and a guaranteed floor value. Further, the Company will share with NBCU 50 % of the Company's tax benefit from the purchase of NBCU's interest in Hulu, which payments are expected to be made primarily over a 15- year period. **In May 2024, the Company and NBCU entered into a confidential arbitration to resolve a dispute regarding the contractual appraisal process, in which the parties seek declaratory relief, equitable relief and unspecified damages (see Note 2 of the Consolidated Financial Statements for additional information).** In addition, we may incur significant costs and expenses in connection with the TFCF acquisition, including costs for which we have established reserves or which may lead to reserves in the future. The cost to purchase NBCU's equity interest in Hulu and related obligations to NBCU and any such other costs could negatively impact the Company's cash position and result in the Company incurring additional indebtedness. ~~GENERAL-RISKS programming networks and our owned television stations. See Item 1 — Federal Communications Commission Regulation. • Federal, state and foreign privacy and data protection laws and regulations, including with respect to child safety. See Item 1 — Privacy and Data Protection Regulation. • Regulation of the safety and supply chain of consumer products and theme park operations, including regulation regarding the sourcing, importation and the sale of goods. • Land planning, use and development regulations applicable to our theme parks operations. • Environmental protection regulations. • U.S. and international anti- corruption laws, sanction programs, trade restrictions, and anti- money laundering laws or currency controls. • Restrictions on the manner in which content is currently licensed and distributed, ownership restrictions or film or television content requirements, investment obligations or quotas. See Item 1 — International Content Regulation. • Domestic and international labor laws, tax laws and antitrust laws or currency controls.~~ New laws and regulations, as well as changes in any of these current laws and regulations or regulator activities (or, if applicable, private litigation to enforce such laws and regulations) in any of these areas, or others, may require us to ~~incur spend~~ **additional compliance costs- amounts to comply with the regulations,** or may restrict our ability to ~~execute on our business strategies as planned or~~ offer products and services in ways that are profitable, and create an increasingly unpredictable regulatory landscape. In addition, ongoing and future developments in international political, trade and security policy may lead to new regulations limiting international trade and investment and disrupting our operations outside the U.S., including our international theme parks and resorts operations in France, mainland China and Hong Kong. For example, in 2022 the U.S. and other countries implemented a series of sanctions against Russia in response to events in Russia and Ukraine; U.S. agencies have enhanced trade restrictions, including new prohibitions on the importation of goods from certain regions and other jurisdictions are considering similar measures; ~~and~~ U.S. state governments have become more active in passing legislation targeted at specific sectors and companies and applying existing laws in novel ways to new technologies, including streaming and online commerce **and in many countries / regions around the world (including but not limited to the EU) regulators are requiring us to broadcast on our linear (or display on our DTC streaming services) programming produced in specific countries as well as invest specified amounts of our revenues in local content productions. In Florida, steps directed at the Company (including the passage of legislation) have been taken and future actions have been threatened, which collectively could negatively impact (and may have already impacted) our ability to execute on our business strategy, our costs and the profitability of our operations in Florida.** Further, **in response to the COVID- 19 pandemic, public health and the other legal regional, national, state and local regulatory regulations** landscape for certain

and policies impacted most of our businesses. Government requirements could be reinstated and new government requirements may be imposed to address COVID-19 technologies, such as AI, is uncertain and evolving and our or future health outbreaks compliance obligations could increase our or pandemics costs or limit how we may use these technologies in one or more of our businesses. Our operations outside the U.S. are may be adversely affected by the operation of laws in those jurisdictions. Our operations outside the in non-U.S. jurisdictions are in many cases subject to the laws of the jurisdictions in which they operate rather than, or in addition to, U.S. law. Laws in some international jurisdictions differ in significant respects from those in the U.S. These differences can affect our ability to react to changes in our business, and our rights or ability to enforce rights are sometimes may be different than would be expected under U.S. law. Moreover, enforcement of laws in some international jurisdictions can be inconsistent and unpredictable, which can affect both our ability to enforce our rights and to undertake activities that we believe are beneficial to our business. In addition, the business and political climate in some jurisdictions may encourage corruption, which could reduce our ability to compete successfully in those jurisdictions while remaining in compliance with local laws or U.S. anti-corruption laws applicable to our businesses. As a result, our ability to generate revenue and our expenses in non-U.S. jurisdictions may differ from what would be expected if U.S. law alone governed these operations.

Environmental RISKS RELATED TO OWNERSHIP The price of our common stock has been, and may continue to be, volatile. The price of our common stock has experienced substantial volatility and may continue to be volatile. Various factors have impacted, and may continue to impact, the price of our common stock, including, among others, changes in management; variations in our operating results; variations between our actual results and expectations of securities analysts; changes in our estimates, guidance or business plans; changes in financial estimates and recommendations by securities analysts; the activities, operating results or stock price of our competitors or other industry participants in the industries in which we operate; the announcement or completion of significant transactions by us or a competitor; events affecting the stock market generally; and the economic and political conditions in the U.S. and internationally, as well as other factors described in this Item 1A. Some of these factors may adversely impact the price of our common stock, regardless of our operating performance. Further, volatility in the price of our common stock may negatively impact one or more of our businesses, including by increasing cash compensation or stock awards for our employees who participate in our stock incentive programs or limiting our financing options for acquisitions and other business expansion.

GENERAL RISKS The Company's amended and restated bylaws provide to the fullest extent permitted by law that the Court of Chancery of the State of Delaware will be the exclusive forum for certain legal actions between the Company and its stockholders, which could increase costs to bring a claim, discourage claims or limit the ability of the Company's stockholders to bring a claim in a judicial forum viewed by the stockholders as more favorable for disputes with the Company or the Company's directors, officers or other employees. The Company's amended and restated bylaws provide to the fullest extent permitted by law that unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any (i) derivative action or proceeding brought on behalf of the Company, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any current or former director, officer or stockholder of the Company to the Company or the Company's stockholders, (iii) any action or proceeding asserting a claim arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the General Corporation Law of the State of Delaware (the "DGCL"), the Certificate of Incorporation or these Bylaws (as each may be amended from time to time), (iv) any action or proceeding as to which the General Corporation Law of the State of Delaware confers jurisdiction on the Court of Chancery of the State of Delaware, (v) or any action or proceeding asserting a claim governed by the internal affairs doctrine. The choice of forum provision may increase costs to bring a claim, discourage claims or limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with the Company or the Company's directors, officers or other employees, which may discourage such lawsuits against the Company or the Company's directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in the Company's amended and restated bylaws to be inapplicable or unenforceable in an action, the Company may incur additional costs associated with resolving such action in other jurisdictions. The exclusive forum provision in the Company's amended and restated bylaws will not preclude or contract the scope of exclusive federal or concurrent jurisdiction for actions brought under the federal securities laws including the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended, or the respective rules and regulations promulgated thereunder.