UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ____________ to ____________

Commission File Number 001-09553

Paramount Global

(Exact name of registrant as specified in its charter)

Delaware	**04-2949533**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1515 Broadway New York, New York	**10036**
(Address of principal executive offices)	(Zip Code)

(212) 258-6000
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Class A Common Stock, $0.001 par value	PARAA	The Nasdaq Stock Market LLC
Class B Common Stock, $0.001 par value	PARA	The Nasdaq Stock Market LLC
5.75% Series A Mandatory Convertible Preferred Stock, $0.001 par value	PARAP	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock outstanding at August 2, 2023:

Class A Common Stock, par value $.001 per share— 40,703,633

Class B Common Stock, par value $.001 per share— 610,398,716

PARAMOUNT GLOBAL
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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; in millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues	$ 7,616	$ 7,779	$ 14,881	$ 15,107
Costs and expenses:				
Operating	5,227	5,106	10,191	9,902
Programming charges	697	—	2,371	—
Selling, general and administrative	1,783	1,710	3,536	3,329
Depreciation and amortization	105	94	205	190
Restructuring and other corporate matters	54	50	54	107
Total costs and expenses	7,866	6,960	16,357	13,528
Gain on dispositions	—	—	—	15
Operating income (loss)	(250)	819	(1,476)	1,594
Interest expense	(240)	(230)	(466)	(470)
Interest income	33	19	68	40
Gain from investment	168	—	168	—
Loss on extinguishment of debt	—	(47)	—	(120)
Other items, net	(60)	(42)	(106)	(55)
Earnings (loss) from continuing operations before income taxes and equity in loss of investee companies	(349)	519	(1,812)	989
Benefit from (provision for) income taxes	95	(129)	476	(163)
Equity in loss of investee companies, net of tax	(109)	(29)	(184)	(66)
Net earnings (loss) from continuing operations	(363)	361	(1,520)	760
Net earnings from discontinued operations, net of tax	73	61	118	103
Net earnings (loss) (Paramount and noncontrolling interests)	(290)	422	(1,402)	863
Net earnings attributable to noncontrolling interests	(9)	(3)	(15)	(11)
Net earnings (loss) attributable to Paramount	$ (299)	$ 419	$ (1,417)	$ 852
Amounts attributable to Paramount:				
Net earnings (loss) from continuing operations	$ (372)	$ 358	$ (1,535)	$ 749
Net earnings from discontinued operations, net of tax	73	61	118	103
Net earnings (loss) attributable to Paramount	$ (299)	$ 419	$ (1,417)	$ 852
Basic net earnings (loss) per common share attributable to Paramount:				
Net earnings (loss) from continuing operations	$ (.59)	$ .53	$ (2.40)	$ 1.11
Net earnings from discontinued operations	$ .11	$ .09	$ .18	$ .16
Net earnings (loss)	$ (.48)	$ .62	$ (2.22)	$ 1.27
Diluted net earnings (loss) per common share attributable to Paramount:				
Net earnings (loss) from continuing operations	$ (.59)	$ .53	$ (2.40)	$ 1.11
Net earnings from discontinued operations	$ .11	$ .09	$ .18	$ .16
Net earnings (loss)	$ (.48)	$ .62	$ (2.22)	$ 1.27
Weighted average number of common shares outstanding:				
Basic	651	649	651	649
Diluted	651	650	651	650

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited; in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Net earnings (loss) (Paramount and noncontrolling interests)	$ (290)	$ 422	$ (1,402)	$ 863
Other comprehensive income (loss), net of tax:				
Cumulative translation adjustments	90	(169)	143	(209)
Decrease to net actuarial loss and prior service costs	12	17	23	33
Other comprehensive income (loss) from continuing operations, net of tax (Paramount and noncontrolling interests)	102	(152)	166	(176)
Other comprehensive income (loss) from discontinued operations	2	(8)	4	(6)
Comprehensive income (loss)	(186)	262	(1,232)	681
Less: Comprehensive income (loss) attributable to noncontrolling interests	10	(1)	17	7
Comprehensive income (loss) attributable to Paramount	$ (196)	$ 263	$ (1,249)	$ 674

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited; in millions, except per share amounts)

	At June 30, 2023	At December 31, 2022
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,714	$ 2,885
Receivables, net	7,186	7,412
Programming and other inventory	1,533	1,342
Prepaid expenses and other current assets	1,458	1,308
Current assets of discontinued operations	568	787
Total current assets	12,459	13,734
Property and equipment, net	1,689	1,762
Programming and other inventory	14,602	16,278
Goodwill	16,517	16,499
Intangible assets, net	2,682	2,694
Operating lease assets	1,302	1,391
Deferred income tax assets, net	1,282	1,242
Other assets	4,016	3,991
Assets of discontinued operations	812	802
Total Assets	$ 55,361	$ 58,393
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 1,210	$ 1,403
Accrued expenses	1,948	2,071
Participants' share and royalties payable	2,470	2,416
Accrued programming and production costs	2,159	2,063
Deferred revenues	921	973
Debt	180	239
Other current liabilities	1,343	1,477
Current liabilities of discontinued operations	439	549
Total current liabilities	10,670	11,191
Long-term debt	15,620	15,607
Participants' share and royalties payable	1,616	1,744
Pension and postretirement benefit obligations	1,463	1,458
Deferred income tax liabilities, net	516	1,077
Operating lease liabilities	1,341	1,428
Program rights obligations	254	367
Other liabilities	1,520	1,715
Liabilities of discontinued operations	204	200
Commitments and contingencies (Note 13)		
Paramount stockholders' equity:		
5.75% Series A Mandatory Convertible Preferred Stock, par value $.001 per share; 25 shares authorized; 10 (2023 and 2022) shares issued	—	—
Class A Common Stock, par value $.001 per share; 55 shares authorized; 41 (2023 and 2022) shares issued	—	—
Class B Common Stock, par value $.001 per share; 5,000 shares authorized; 1,113 (2023) and 1,112 (2022) shares issued	1	1
Additional paid-in capital	33,135	33,063
Treasury stock, at cost; 503 (2023 and 2022) shares of Class B Common Stock	(22,958)	(22,958)
Retained earnings	13,116	14,737
Accumulated other comprehensive loss	(1,639)	(1,807)
Total Paramount stockholders' equity	21,655	23,036
Noncontrolling interests	502	570
Total Equity	22,157	23,606
Total Liabilities and Equity	$ 55,361	$ 58,393

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in millions)

	Six Months Ended June 30,	
	2023	**2022**
Operating Activities:		
Net earnings (loss) (Paramount and noncontrolling interests)	$ (1,402)	$ 863
Less: Net earnings from discontinued operations, net of tax	118	103
Net earnings (loss) from continuing operations	(1,520)	760
Adjustments to reconcile net earnings (loss) from continuing operations to net cash flow (used for) provided by operating activities from continuing operations:		
Depreciation and amortization	205	190
Programming charges	2,371	—
Deferred tax benefit	(586)	(56)
Stock-based compensation	88	77
Gain on dispositions	—	(15)
Gain from investment	(168)	—
Loss on extinguishment of debt	—	120
Equity in loss of investee companies, net of tax	184	66
Change in assets and liabilities	(1,198)	(667)
Net cash flow (used for) provided by operating activities from continuing operations	(624)	475
Net cash flow provided by operating activities from discontinued operations	223	116
Net cash flow (used for) provided by operating activities	(401)	591
Investing Activities:		
Investments	(124)	(141)
Capital expenditures	(140)	(151)
Other investing activities	39	35
Net cash flow used for investing activities from continuing operations	(225)	(257)
Net cash flow used for investing activities from discontinued operations	(2)	(1)
Net cash flow used for investing activities	(227)	(258)
Financing Activities:		
Proceeds from issuance of notes and debentures	—	991
Repayment of notes and debentures	—	(3,010)
Dividends paid on preferred stock	(29)	(29)
Dividends paid on common stock	(317)	(315)
Payment of payroll taxes in lieu of issuing shares for stock-based compensation	(19)	(13)
Payments to noncontrolling interests	(93)	(77)
Other financing activities	(89)	(45)
Net cash flow used for financing activities	(547)	(2,498)
Effect of exchange rate changes on cash and cash equivalents	4	(65)
Net decrease in cash and cash equivalents	(1,171)	(2,230)
Cash and cash equivalents at beginning of year	2,885	6,267
Cash and cash equivalents at end of period	$ 1,714	$ 4,037

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited; in millions)

	Three Months Ended June 30, 2023										
	Preferred Stock		**Class A and B Common Stock**		**Additional Paid-In Capital**	**Treasury Stock**	**Retained Earnings**	**Accumulated Other Comprehensive Loss**	**Total Paramount Stockholders' Equity**	**Noncontrolling Interests**	**Total Equity**
	(Shares)		*(Shares)*								
March 31, 2023	10	$ —	651	$ 1	$ 33,087	$ (22,958)	$ 13,463	$ (1,742)	$ 21,851	$ 492	$ 22,343
Stock-based compensation activity	—	—	—	—	48	—	—	—	48	—	48
Preferred stock dividends	—	—	—	—	—	—	(14)	—	(14)	—	(14)
Common stock dividends	—	—	—	—	—	—	(34)	—	(34)	—	(34)
Noncontrolling interests	—	—	—	—	—	—	—	—	—	—	—
Net earnings (loss)	—	—	—	—	—	—	(299)	—	(299)	9	(290)
Other comprehensive income	—	—	—	—	—	—	—	103	103	1	104
June 30, 2023	10	$ —	651	$ 1	$ 33,135	$ (22,958)	$ 13,116	$ (1,639)	$ 21,655	$ 502	$ 22,157

	Six Months Ended June 30, 2023										
	Preferred Stock		**Class A and B Common Stock**		**Additional Paid-In Capital**	**Treasury Stock**	**Retained Earnings**	**Accumulated Other Comprehensive Loss**	**Total Paramount Stockholders' Equity**	**Noncontrolling Interests**	**Total Equity**
	(Shares)		*(Shares)*								
December 31, 2022	10	$ —	650	$ 1	$ 33,063	$ (22,958)	$ 14,737	$ (1,807)	$ 23,036	$ 570	$ 23,606
Stock-based compensation activity and other	—	—	1	—	72	—	19	—	91	—	91
Preferred stock dividends	—	—	—	—	—	—	(29)	—	(29)	—	(29)
Common stock dividends	—	—	—	—	—	—	(194)	—	(194)	—	(194)
Noncontrolling interests	—	—	—	—	—	—	—	—	—	(85)	(85)
Net earnings (loss)	—	—	—	—	—	—	(1,417)	—	(1,417)	15	(1,402)
Other comprehensive income	—	—	—	—	—	—	—	168	168	2	170
June 30, 2023	10	$ —	651	$ 1	$ 33,135	$ (22,958)	$ 13,116	$ (1,639)	$ 21,655	$ 502	$ 22,157

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Continued)
(Unaudited; in millions)

	Three Months Ended June 30, 2022										
	Preferred Stock		Class A and B Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity
	(Shares)		*(Shares)*								
March 31, 2022	10	$ —	649	$ 1	$ 32,946	$ (22,958)	$ 14,599	$ (1,924)	$ 22,664	$ 493	$ 23,157
Stock-based compensation activity	—	—	—	—	38	—	—	—	38	—	38
Preferred stock dividends	—	—	—	—	—	—	(14)	—	(14)	—	(14)
Common stock dividends	—	—	—	—	—	—	(160)	—	(160)	—	(160)
Noncontrolling interests	—	—	—	—	—	—	(15)	—	(15)	12	(3)
Net earnings	—	—	—	—	—	—	419	—	419	3	422
Other comprehensive loss	—	—	—	—	—	—	—	(156)	(156)	(4)	(160)
June 30, 2022	10	$ —	649	$ 1	$ 32,984	$ (22,958)	$ 14,829	$ (2,080)	$ 22,776	$ 504	$ 23,280

	Six Months Ended June 30, 2022										
	Preferred Stock		Class A and B Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity
	(Shares)		*(Shares)*								
December 31, 2021	10	$ —	648	$ 1	$ 32,918	$ (22,958)	$ 14,343	$ (1,902)	$ 22,402	$ 568	$ 22,970
Stock-based compensation activity	—	—	1	—	66	—	—	—	66	—	66
Preferred stock dividends	—	—	—	—	—	—	(29)	—	(29)	—	(29)
Common stock dividends	—	—	—	—	—	—	(318)	—	(318)	—	(318)
Noncontrolling interests	—	—	—	—	—	—	(19)	—	(19)	(71)	(90)
Net earnings	—	—	—	—	—	—	852	—	852	11	863
Other comprehensive loss	—	—	—	—	—	—	—	(178)	(178)	(4)	(182)
June 30, 2022	10	$ —	649	$ 1	$ 32,984	$ (22,958)	$ 14,829	$ (2,080)	$ 22,776	$ 504	$ 23,280

See notes to consolidated financial statements.

1) BASIS OF PRESENTATION

Description of Business—Paramount Global, a global media, streaming and entertainment company that creates premium content and experiences for audiences worldwide, is comprised of the following segments:

- *TV Media*—Our *TV Media* segment consists of our (1) broadcast operations—the CBS Television Network, our domestic broadcast television network; CBS Stations, our owned television stations; and our international free-to-air networks, Network 10, Channel 5, Telefe, and Chilevisión; (2) premium and basic cable networks, including Showtime (to be rebranded to Paramount+ with Showtime in the future), MTV, Comedy Central, Paramount Network, The Smithsonian Channel, Nickelodeon, BET Media Group, CBS Sports Network, and international extensions of certain of these brands; (3) domestic and international television studio operations, including CBS Studios, Paramount Television Studios and MTV Entertainment Studios, as well as CBS Media Ventures, which produces and distributes first-run syndicated programming. *TV Media* also includes a number of digital properties such as CBS News Streaming and CBS Sports HQ.

- *Direct-to-Consumer*—Our *Direct-to-Consumer* segment consists of our portfolio of domestic and international pay and free streaming services, including Paramount+, Pluto TV, Showtime Networks' domestic premium subscription streaming service (Showtime OTT), BET+ and Noggin. Effective June 27, 2023, we launched the Paramount+ with Showtime plan in the United States, which replaced the Paramount+ Premium plan. Effective July 6, 2023, Showtime OTT was no longer offered as a standalone subscription service for new subscribers.

- *Filmed Entertainment*—Our *Filmed Entertainment* segment consists of Paramount Pictures, Paramount Players, Paramount Animation, Nickelodeon Studio, Awesomeness and Miramax.

References to "Paramount," the "Company," "we," "us" and "our" refer to Paramount Global and its consolidated subsidiaries, unless the context otherwise requires.

Basis of Presentation—The accompanying unaudited consolidated financial statements have been prepared on a basis consistent with accounting principles generally accepted in the United States ("GAAP") for interim financial information and pursuant to the rules of the Securities and Exchange Commission (SEC). These financial statements should be read in conjunction with the more detailed financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2022.

In the opinion of management, the accompanying unaudited consolidated financial statements reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair statement of our financial position, results of operations and cash flows for the periods presented. Certain previously reported amounts have been reclassified to conform to the current presentation.

Discontinued Operations—In the fourth quarter of 2020, we entered into an agreement to sell our publishing business, Simon & Schuster, which was previously reported as the *Publishing* segment and as a result, we began presenting Simon and Schuster as a discontinued operation (see Note 2). In the fourth quarter of 2022, we terminated the agreement after the U.S. Department of Justice prevailed in its suit to block the sale. On August 7, 2023, we entered into an agreement to sell Simon & Schuster to affiliates of Kohlberg Kravis & Roberts for $1.62 billion, subject to closing conditions, including regulatory approvals.

Use of Estimates—The preparation of our consolidated financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may vary from these estimates under different assumptions or conditions.

Net Earnings (Loss) per Common Share—Basic net earnings (loss) per share ("EPS") is based upon net earnings (loss) available to common stockholders divided by the weighted average number of common shares outstanding during the period. Net earnings (loss) available to common stockholders is calculated as net earnings (loss) from continuing operations or net earnings (loss), as applicable, adjusted to include a reduction for dividends recorded during the applicable period on our 5.75% Series A Mandatory Convertible Preferred Stock ("Mandatory Convertible Preferred Stock").

Weighted average shares for diluted EPS reflects the effect of the assumed exercise of stock options and vesting of restricted share units ("RSUs") or performance share units ("PSUs") only in the periods in which such effect would have been dilutive. Diluted EPS also reflects the effect of the assumed conversion of preferred stock, if dilutive, which includes the issuance of common shares in the weighted average number of shares and excludes the above-mentioned preferred stock dividend adjustment to net earnings (loss) available to common stockholders.

All of our stock options and RSUs, which total 19 million and 20 million for the three and six months ended June 30, 2023, respectively, were excluded from the calculations of diluted EPS because their inclusion would have been antidilutive since we reported a net loss. Stock options and RSUs totaling 11 million and 9 million for the three and six months ended June 30, 2022, respectively, were excluded from the calculations of diluted EPS because their inclusion would have been antidilutive. Also excluded from the calculation of diluted EPS for each period was the effect of the assumed conversion of 10 million shares of Mandatory Convertible Preferred Stock into shares of common stock because the impact would have been antidilutive. The table below presents a reconciliation of weighted average shares used in the calculation of basic and diluted EPS.

	Three Months Ended June 30,		**Six Months Ended June 30,**	
(in millions)	**2023**	**2022**	**2023**	**2022**
Weighted average shares for basic EPS	651	649	651	649
Dilutive effect of shares issuable under stock-based compensation plans	—	1	—	1
Weighted average shares for diluted EPS	651	650	651	650

(Tabular dollars in millions, except per share amounts)

Additionally, because the impact of the assumed conversion of the Mandatory Convertible Preferred Stock would have been antidilutive, net earnings (loss) from continuing operations and net earnings (loss) used in our calculation of diluted EPS for the three and six months ended June 30, 2023 and 2022 include a reduction for the preferred stock dividends recorded during each period. The table below presents a reconciliation of net earnings (loss) from continuing operations and net earnings (loss) to the amounts used in the calculations of basic and diluted EPS.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Amounts attributable to Paramount:				
Net earnings (loss) from continuing operations	$ (372)	$ 358	$ (1,535)	$ 749
Preferred stock dividends	(14)	(14)	(29)	(29)
Net earnings (loss) from continuing operations for basic and diluted EPS calculation	$ (386)	$ 344	$ (1,564)	$ 720
Amounts attributable to Paramount:				
Net earnings (loss)	$ (299)	$ 419	$ (1,417)	$ 852
Preferred stock dividends	(14)	(14)	(29)	(29)
Net earnings (loss) for basic and diluted EPS calculation	$ (313)	$ 405	$ (1,446)	$ 823

2) DISCONTINUED OPERATIONS

The following table sets forth details of net earnings from discontinued operations for the three and six months ended June 30, 2023 and 2022, which primarily reflects the results of Simon & Schuster (See Note 1).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues	$ 292	$ 293	$ 550	$ 510
Costs and expenses:				
Operating	155	161	306	285
Selling, general and administrative	44	47	89	85
Total costs and expenses [(a)]	199	208	395	370
Operating income	93	85	155	140
Other items, net	(4)	(5)	(7)	(6)
Earnings from discontinued operations	89	80	148	134
Provision for income taxes [(b)]	(16)	(19)	(30)	(31)
Net earnings from discontinued operations, net of tax	$ 73	$ 61	$ 118	$ 103

(a) Included in total costs and expenses are amounts associated with the release of indemnification obligations for leases relating to a previously disposed business of $2 million and $6 million for the three and six months ended June 30, 2023, respectively, and $5 million and $10 million for the three and six months ended June 30, 2022, respectively.

(b) The tax provision includes amounts relating to previously disposed businesses of $1 million for the six months ended June 30, 2023, and $1 million and $2 million for the three and six months ended June 30, 2022, respectively.

(Tabular dollars in millions, except per share amounts)

The following table presents the major classes of assets and liabilities of our discontinued operations.

	At June 30, 2023	At December 31, 2022
Receivables, net	$ 347	$ 558
Other current assets	221	229
Goodwill	435	434
Property and equipment, net	55	53
Operating lease assets	216	204
Other assets	106	111
Total Assets	$ 1,380	$ 1,589
Royalties payable	$ 179	$ 161
Other current liabilities	260	388
Operating lease liabilities	187	182
Other liabilities	17	18
Total Liabilities	$ 643	$ 749

3) PROGRAMMING AND OTHER INVENTORY

The following table presents our programming and other inventory at June 30, 2023 and December 31, 2022, grouped by type and predominant monetization strategy.

	At June 30, 2023	At December 31, 2022
Film Group Monetization:		
Acquired program rights, including prepaid sports rights	$ 3,148	$ 3,238
Internally-produced television and film programming:		
Released	6,572	7,154
In process and other	2,679	3,299
Individual Monetization:		
Acquired libraries	372	394
Film inventory:		
Released	701	694
Completed, not yet released	175	129
In process and other	1,300	1,317
Internally-produced television programming:		
Released	567	624
In process and other	583	726
Home entertainment	38	45
Total programming and other inventory	16,135	17,620
Less current portion	1,533	1,342
Total noncurrent programming and other inventory	$ 14,602	$ 16,278

(Tabular dollars in millions, except per share amounts)

The following table presents amortization of our television and film programming and production costs, which is included within "Operating expenses" on the Consolidated Statements of Operations.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Programming costs, acquired programming	$ 1,234	$ 1,149	$ 2,648	$ 2,645
Production costs, internally-produced television and film programming:				
Individual monetization	$ 734	$ 671	$ 1,130	$ 1,162
Film group monetization	$ 1,358	$ 1,297	$ 2,726	$ 2,444

Programming Charges

During the six months ended June 30, 2023, in connection with the integration of Showtime into Paramount+ across both streaming and linear platforms, we performed a comprehensive strategic review of the combined content portfolio of Showtime and Paramount+. Additionally, during the first quarter, we reviewed our international content portfolio in connection with initiatives to rationalize and right-size our international operations to align with our streaming strategy, and close or globalize certain of our international channels. As a result, we changed the strategy for certain content, which led to content being removed from our platforms or abandoned, the write-off of development costs, distribution changes, and termination of programming agreements. Accordingly, we recorded programming charges on the Consolidated Statements of Operations relating to these actions in each quarter. These charges, which totaled $697 million and $2.37 billion for the three and six months ended June 30, 2023, respectively, are comprised of $520 million and $1.97 billion for the impairment of content to its estimated fair value, as well as $177 million and $402 million for development cost write-offs and contract termination costs. For content that was removed from our platforms or abandoned, the estimated fair value was determined using assumptions for secondary market licensing revenues, if any.

4) RELATED PARTIES

National Amusements, Inc.

National Amusements, Inc. ("NAI") is the controlling stockholder of the Company. At June 30, 2023, NAI directly or indirectly owned approximately 77.4% of our voting Class A Common Stock and approximately 9.8% of our Class A Common Stock and non-voting Class B Common Stock on a combined basis. NAI is controlled by the Sumner M. Redstone National Amusements Part B General Trust (the "General Trust"), which owns 80% of the voting interest of NAI and acts by majority vote of seven voting trustees (subject to certain exceptions), including with respect to the NAI shares held by the General Trust. Shari E. Redstone, Chairperson, CEO and President of NAI and non-executive Chair of our Board of Directors, is one of the seven voting trustees for the General Trust and is one of two voting trustees who are beneficiaries of the General Trust. No member of our management or other member of our Board of Directors is a trustee of the General Trust.

(Tabular dollars in millions, except per share amounts)

Other Related Parties

In the ordinary course of business, we are involved in transactions with our equity-method investees, primarily for the licensing of television and film programming. The following tables present the amounts recorded in our consolidated financial statements related to these transactions.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023 [(a)]	**2022**	**2023** [(a)]	**2022**
Revenues	$ 87	$ 74	$ 195	$ 128
Operating expenses	$ 9	$ 1	$ 13	$ 6

(a) The increase in revenues for the three and six months ended June 30, 2023 relates to the SkyShowtime streaming service, which launched in September 2022.

	At June 30, 2023	At December 31, 2022
Accounts receivable	$ 277	$ 198

Through the normal course of business, we are involved in other transactions with related parties that have not been material in any of the periods presented.

5) REVENUES

The table below presents our revenues disaggregated into categories based on the nature of such revenues. See Note 12 for revenues by segment disaggregated into these categories.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Revenues by Type:				
Advertising	$ 2,395	$ 2,545	$ 5,046	$ 5,409
Affiliate and subscription	3,235	2,888	6,414	5,728
Theatrical	231	764	358	895
Licensing and other	1,755	1,582	3,063	3,075
Total Revenues	$ 7,616	$ 7,779	$ 14,881	$ 15,107

Receivables

Reserves for accounts receivable reflect our expected credit losses based on historical experience as well as current and expected economic conditions. At June 30, 2023 and December 31, 2022, our allowance for credit losses was $99 million and $111 million, respectively.

Included in “Other assets” on the Consolidated Balance Sheets are noncurrent receivables of $1.46 billion and $1.61 billion at June 30, 2023 and December 31, 2022, respectively. Noncurrent receivables primarily relate to revenues recognized under long-term content licensing arrangements. Revenues from the licensing of content are recognized at the beginning of the license period in which programs are made available to the licensee for exhibition, while the related cash is generally collected over the term of the license period.

Contract Liabilities

Contract liabilities are included within “Deferred revenues” and “Other liabilities” on the Consolidated Balance Sheets and were $990 million and $1.06 billion at June 30, 2023 and December 31, 2022, respectively. We recognized revenues of $0.6 billion and $0.7 billion for the six months ended June 30, 2023 and 2022, respectively, that were included in the opening balance of deferred revenues for the respective year.

Unrecognized Revenues Under Contract

At June 30, 2023, unrecognized revenues attributable to unsatisfied performance obligations under our long-term contracts were approximately $9 billion, of which $2 billion is expected to be recognized during the remainder of 2023, $3 billion in 2024, $2 billion in 2025, and $2 billion thereafter. These amounts only include contracts subject to a guaranteed fixed amount or the guaranteed minimum under variable contracts, primarily consisting of television and film licensing contracts and affiliate agreements that are subject to a fixed or guaranteed minimum fee. Such amounts change on a regular basis as we renew existing agreements or enter into new agreements. In addition, the timing of satisfying certain of the performance obligations under these long-term contracts is uncertain and, therefore, is also subject to change. Unrecognized revenues under contracts disclosed above do not include (i) contracts with an original expected term of one year or less, mainly consisting of advertising contracts, (ii) contracts for which variable consideration is determined based on the customer’s subsequent sale or usage, mainly consisting of affiliate agreements and (iii) long-term licensing agreements for multiple programs for which variable consideration is determined based on the value of the programs delivered to the customer and our right to invoice corresponds with the value delivered.

Performance Obligations Satisfied in Previous Periods

Under certain licensing arrangements, the amount and timing of our revenue recognition is determined based on our licensees’ subsequent sale to its end customers. As a result, under such arrangements we often satisfy our performance obligation of delivery of our content in advance of revenue recognition. For each of the three months ended June 30, 2023 and 2022, we recognized revenues of $0.2 billion, and for the six months ended June 30, 2023 and 2022, we recognized revenues of $0.2 billion and $0.3 billion, respectively, from arrangements for the licensing of our content, including from distributors of transactional video-on-demand and electronic sell-through services and other licensing arrangements, as well as from the theatrical distribution of our films, for which our performance obligation was satisfied in a prior period.

(Tabular dollars in millions, except per share amounts)

6) DEBT

Our debt consists of the following:

	At June 30, 2023	At December 31, 2022
7.875% Debentures due 2023	$ 139	$ 139
7.125% Senior Notes due 2023	35	35
4.75% Senior Notes due 2025	553	552
4.0% Senior Notes due 2026	795	795
3.45% Senior Notes due 2026	124	124
2.90% Senior Notes due 2027	695	694
3.375% Senior Notes due 2028	497	496
3.70% Senior Notes due 2028	495	494
4.20% Senior Notes due 2029	495	495
7.875% Senior Debentures due 2030	830	830
4.95% Senior Notes due 2031	1,227	1,226
4.20% Senior Notes due 2032	976	975
5.50% Senior Debentures due 2033	427	427
4.85% Senior Debentures due 2034	87	87
6.875% Senior Debentures due 2036	1,071	1,071
6.75% Senior Debentures due 2037	75	75
5.90% Senior Notes due 2040	298	298
4.50% Senior Debentures due 2042	45	45
4.85% Senior Notes due 2042	489	488
4.375% Senior Debentures due 2043	1,134	1,130
4.875% Senior Debentures due 2043	18	18
5.85% Senior Debentures due 2043	1,234	1,233
5.25% Senior Debentures due 2044	345	345
4.90% Senior Notes due 2044	541	541
4.60% Senior Notes due 2045	590	590
4.95% Senior Notes due 2050	947	946
6.25% Junior Subordinated Debentures due 2057	643	643
6.375% Junior Subordinated Debentures due 2062	989	989
Other bank borrowings	—	55
Obligations under finance leases	6	10
Total debt [(a)]	15,800	15,846
Less current portion	180	239
Total long-term debt, net of current portion	$ 15,620	$ 15,607

(a) At June 30, 2023 and December 31, 2022, the senior and junior subordinated debt balances included (i) a net unamortized discount of $432 million and $442 million, respectively, and (ii) unamortized deferred financing costs of $86 million and $89 million, respectively. The face value of our total debt was $16.32 billion and $16.38 billion at June 30, 2023 and December 31, 2022, respectively.

During the six months ended June 30, 2022, we redeemed $2.39 billion of senior notes, prior to maturity, for an aggregate redemption price of $2.49 billion, which included second quarter redemptions of $970 million for a redemption price of $1.01 billion. Also in the six-month period, we redeemed $520 million of 5.875% junior subordinated debentures due February 2057 at par. These redemptions resulted in a total pre-tax loss on extinguishment of debt of $47 million and $120 million for the three and six months ended June 30, 2022, respectively.

During the six months ended June 30, 2022, we also issued $1.00 billion of 6.375% junior subordinated debentures due 2062.

Commercial Paper

At both June 30, 2023 and December 31, 2022, we had no outstanding commercial paper borrowings.

Credit Facility

During the first quarter of 2023, we amended and extended our $3.50 billion revolving credit facility (the "Credit Facility"), which now matures in January 2027 (the "2023 Amendment"). The Credit Facility is used for general corporate purposes and to support commercial paper borrowings, if any. We may, at our option, also borrow in certain foreign currencies up to specified limits under the Credit Facility. Borrowing rates under the Credit Facility are determined at the time of each borrowing and are generally based on either the prime rate in the U.S. or an applicable benchmark rate plus a margin (based on our senior unsecured debt rating), depending on the type and tenor of the loans entered into. Under the 2023 Amendment, we replaced LIBOR as the benchmark rate for loans denominated in U.S. dollars with Term SOFR. The benchmark rate for loans denominated in euros, sterling and yen is based on EURIBOR, SONIA and TIBOR, respectively. The Credit Facility was also amended to include a provision that the occurrence of a Change of Control (as defined in the amended credit agreement) of Paramount will be an event of default that would give the lenders the right to accelerate any outstanding loans and terminate their commitments. At June 30, 2023, we had no borrowings outstanding under the Credit Facility and the remaining availability under the Credit Facility, net of outstanding letters of credit, was $3.50 billion.

The Credit Facility has one principal financial covenant which sets a maximum Consolidated Total Leverage Ratio ("Leverage Ratio") at the end of each quarter, which prior to the 2023 Amendment was 4.5x. Under the 2023 Amendment, the maximum Leverage Ratio was increased to 5.75x for each quarter through and including the quarter ending September 30, 2024, and will then decrease to 5.5x for the quarters ending December 31, 2024 and March 31, 2025, with decreases of 0.25x for each subsequent quarter until it reaches 4.5x for the quarter ending March 31, 2026. The Leverage Ratio reflects the ratio of our Consolidated Indebtedness, net of unrestricted cash and cash equivalents at the end of a quarter, to our Consolidated EBITDA (each as defined in the amended credit agreement) for the trailing twelve-month period. Under the 2023 Amendment, the definition of the Leverage Ratio was also modified to set the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness to $1.50 billion for quarters ending on or after September 30, 2024. In addition, under the 2023 Amendment, Simon & Schuster shall be treated as a continuing operation for the purposes of calculating Consolidated EBITDA until its disposition. We met the covenant as of June 30, 2023.

Other Bank Borrowings

At June 30, 2023, we had no outstanding bank borrowings under Miramax's $50 million credit facility, which matures in November 2023. This facility replaced the previous $300 million credit facility that matured in April 2023. At December 31, 2022, we had $55 million of bank borrowings under the previous facility with a weighted average interest rate of 7.09%.

7) FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The carrying value of our financial instruments approximates fair value, except for notes and debentures. At June 30, 2023 and December 31, 2022, the carrying value of our outstanding notes and debentures was $15.79 billion and $15.78 billion, respectively, and the fair value, which is determined based on quoted prices in active markets (Level 1 in the fair value hierarchy) was $13.9 billion in each period.

(Tabular dollars in millions, except per share amounts)

Investments

In April 2023, our ownership of Viacom18 was diluted from 49% to 13% following investment by other parties. Accordingly, we no longer account for it under the equity method. The difference between the carrying value of our 49% interest and the fair value of our 13% interest, as indicated by the additional investments, resulted in a noncash gain of $168 million during the second quarter of 2023.

The carrying value of our investments without a readily determinable fair value for which we have no significant influence, which include Viacom18 subsequent to the dilution of our investment, was $593 million and $70 million at June 30, 2023 and December 31, 2022, respectively. These investments are included in “Other assets” on the Consolidated Balance Sheets.

Foreign Exchange Contracts

We use derivative financial instruments primarily to manage our exposure to market risks from fluctuations in foreign currency exchange rates. We do not use derivative instruments unless there is an underlying exposure and, therefore, we do not hold or enter into derivative financial instruments for speculative trading purposes.

Foreign exchange forward contracts have principally been used to hedge projected cash flows, in currencies such as the British pound, the euro, the Canadian dollar and the Australian dollar, generally for periods up to 24 months. We designate foreign exchange forward contracts used to hedge committed and forecasted foreign currency transactions as cash flow hedges. Additionally, we enter into non-designated forward contracts to hedge non-U.S. dollar denominated cash flows.

At June 30, 2023 and December 31, 2022, the notional amount of all foreign exchange contracts was $3.11 billion and $3.06 billion, respectively. At June 30, 2023, $2.48 billion related to future production costs and $626 million related to our foreign currency balances and other expected foreign currency cash flows. At December 31, 2022, $2.40 billion related to future production costs and $655 million related to our foreign currency balances and other expected foreign currency cash flows.

Gains (losses) recognized on derivative financial instruments were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,		
	2023	**2022**	**2023**	**2022**	**Financial Statement Account**
Non-designated foreign exchange contracts	$ (7)	$ 38	$ (6)	$ 40	Other items, net

(Tabular dollars in millions, except per share amounts)

Fair Value Measurements

The table below presents our assets and liabilities measured at fair value on a recurring basis at June 30, 2023 and December 31, 2022. These assets and liabilities have been categorized according to the three-level fair value hierarchy established by the Financial Accounting Standards Board ("FASB"), which prioritizes the inputs used in measuring fair value. Level 1 is based on publicly quoted prices for the asset or liability in active markets. Level 2 is based on inputs that are observable other than quoted market prices in active markets, such as quoted prices for the asset or liability in inactive markets or quoted prices for similar assets or liabilities. Level 3 is based on unobservable inputs reflecting our own assumptions about the assumptions that market participants would use in pricing the asset or liability. All of our assets and liabilities that are measured at fair value on a recurring basis use level 2 inputs. The fair value of foreign currency hedges is determined based on the present value of future cash flows using observable inputs including foreign currency exchange rates. The fair value of deferred compensation liabilities is determined based on the fair value of the investments elected by employees.

	At June 30, 2023	At December 31, 2022
Assets:		
Foreign currency hedges	$ 38	$ 39
Total Assets	$ 38	$ 39
Liabilities:		
Deferred compensation	$ 346	$ 336
Foreign currency hedges	59	83
Total Liabilities	$ 405	$ 419

The estimated fair value of our impaired content was determined using level 3 inputs. See Note 3.

8) VARIABLE INTEREST ENTITIES

In the normal course of business, we enter into joint ventures or make investments with business partners that support our underlying business strategy and provide us the ability to enter new markets to expand the reach of our brands, develop new programming and/or distribute our existing content. In certain instances, an entity in which we make an investment may qualify as a variable interest entity ("VIE"). In determining whether we are the primary beneficiary of a VIE, we assess whether we have the power to direct matters that most significantly impact the activities of the VIE, and have the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The following tables present the amounts recorded in our consolidated financial statements related to our consolidated VIEs.

	At June 30, 2023	At December 31, 2022
Total assets	$ 1,948	$ 1,961
Total liabilities	$ 241	$ 328

(Tabular dollars in millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues	$ 201	$ 86	$ 346	$ 189
Operating loss	$ (1)	$ (27)	$ (32)	$ (55)

9) STOCKHOLDERS' EQUITY

Dividends

The following table presents dividends declared per share and total dividends for our Class A and B Common Stock and our Mandatory Convertible Preferred Stock for the three and six months ended June 30, 2023 and 2022.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Class A and Class B Common Stock				
Dividends declared per common share	$ .05	$ .24	$ .29	$ .48
Total common stock dividends	$ 34	$ 160	$ 194	$ 318
Mandatory Convertible Preferred Stock				
Dividends declared per preferred share	$ 1.4375	$ 1.4375	$ 2.8750	$ 2.8750
Total preferred stock dividends	$ 14	$ 14	$ 29	$ 29

(Tabular dollars in millions, except per share amounts)

Accumulated Other Comprehensive Income (Loss)

The following tables summarize the changes in the components of accumulated other comprehensive loss.

	Continuing Operations		Discontinued Operations	
	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Other Comprehensive Income (Loss) [(a)]	Accumulated Other Comprehensive Loss
At December 31, 2022	$ (680)	$ (1,097)	$ (30)	$ (1,807)
Other comprehensive income before reclassifications	97	—	4	101
Reclassifications to net loss	44 [(b)]	23 [(c)]	—	67
Other comprehensive income	141	23	4	168
At June 30, 2023	$ (539)	$ (1,074)	$ (26)	$ (1,639)

	Continuing Operations		Discontinued Operations	
	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Other Comprehensive Income (Loss) [(a)]	Accumulated Other Comprehensive Loss
At December 31, 2021	$ (445)	$ (1,434)	$ (23)	$ (1,902)
Other comprehensive loss before reclassifications	(205)	—	(6)	(211)
Reclassifications to net earnings	—	33 [(c)]	—	33
Other comprehensive income (loss)	(205)	33	(6)	(178)
At June 30, 2022	$ (650)	$ (1,401)	$ (29)	$ (2,080)

(a) Reflects cumulative translation adjustments.

(b) Reflects amounts realized within "Gain from investment" on the Consolidated Statements of Operations in connection with the dilution of our interest in Viacom18 (see Note 7).

(c) Reflects amortization of net actuarial losses (see Note 11).

The net actuarial loss and prior service cost related to pension and other postretirement benefit plans included in other comprehensive income (loss) is net of a tax benefit of $8 million and $10 million for the six months ended June 30, 2023 and 2022, respectively.

10) INCOME TAXES

The provision for/benefit from income taxes represents federal, state and local, and foreign taxes on earnings (loss) from continuing operations before income taxes and equity in loss of investee companies. For the three and six months ended June 30, 2023, we recorded a benefit from income taxes of $95 million and $476 million, reflecting effective income tax rates of 27.2% and 26.3%, respectively. These income tax benefits are primarily the result of tax benefits of $173 million and $582 million on programming charges of $697 million and $2.37 billion for the three- and six-month periods, respectively. The tax benefit from the programming charges for the quarter, together with a net discrete tax benefit of $4 million and a net tax provision of $46 million on other items identified as affecting the comparability of our results during the period (which include a gain from an investment and restructuring charges) increased our effective income tax rate by 11.8 percentage points. For the six-month period, the tax benefit from the programming charges together with a net discrete tax benefit of $34 million, principally from the resolution of an income tax matter in a foreign jurisdiction, and a net tax provision of $46 million on other items identified as affecting the comparability of our results during the period (which include a gain from an investment and restructuring charges), increased our effective income tax rate by 5.2 percentage points.

For the three and six months ended June 30, 2022, we recorded a provision for income taxes of $129 million and $163 million, reflecting effective income tax rates of 24.9% and 16.5%, respectively. Included in the provision for income taxes for the second quarter of 2022 is a net discrete tax benefit of $3 million, which together with a net tax benefit of $23 million on other items identified as affecting the comparability of our results during the period (which include a loss on extinguishment of debt and charges for restructuring and other corporate matters) reduced our effective income tax rate by 0.3 percentage points. The tax provision for the six months ended June 30, 2022 included a net discrete tax benefit of $81 million primarily resulting from the transfer of intangible assets between our subsidiaries in connection with a reorganization of our international operations. This item, together with a net tax benefit of $48 million on other items identified as affecting the comparability of our results during the six-month period (which include a loss on extinguishment of debt, charges for restructuring and other corporate matters, and a gain on dispositions) reduced our effective income tax rate by 7.8 percentage points.

The Company and its subsidiaries file income tax returns with the Internal Revenue Service (“IRS”) and various state and local and foreign jurisdictions. For periods prior to the merger of Viacom Inc. (“Viacom”) with and into CBS Corporation (“CBS”) (the “Merger”), Viacom and CBS filed separate tax returns. For CBS, we are currently under examination by the IRS for the 2017 and 2018 tax years. For Viacom, we are currently under examination by the IRS for the 2016 through 2019 tax years. For tax returns filed as a merged company, we are currently under examination by the IRS for the 2019 tax year. Various tax years are also currently under examination by state and local and foreign tax authorities. With respect to open tax years in all jurisdictions, we currently do not believe that it is reasonably possible that the reserve for uncertain tax positions will significantly change within the next 12 months; however, it is difficult to predict the final outcome or timing of resolution of any particular tax matter and events could cause our current expectation to change in the future.

(Tabular dollars in millions, except per share amounts)

11) PENSION AND OTHER POSTRETIREMENT BENEFITS

The following table presents the components of net periodic cost for our pension and postretirement benefit plans, which are included within "Other items, net" on the Consolidated Statements of Operations.

	Pension Benefits		Postretirement Benefits	
Three Months Ended June 30,	**2023**	**2022**	**2023**	**2022**
Components of net periodic cost [(a)]:				
Interest cost	$ 52	$ 37	$ 3	$ 2
Expected return on plan assets	(32)	(43)	—	—
Amortization of actuarial loss (gain) [(b)]	21	25	(5)	(4)
Net periodic cost	$ 41	$ 19	$ (2)	$ (2)

	Pension Benefits		Postretirement Benefits	
Six Months Ended June 30,	**2023**	**2022**	**2023**	**2022**
Components of net periodic cost [(a)]:				
Interest cost	$ 103	$ 75	$ 6	$ 4
Expected return on plan assets	(64)	(86)	—	—
Amortization of actuarial loss (gain) [(b)]	42	49	(9)	(7)
Net periodic cost	$ 81	$ 38	$ (3)	$ (3)

(a) Amounts reflect our domestic plans only.

(b) Reflects amounts reclassified from accumulated other comprehensive loss to net earnings (loss).

(Tabular dollars in millions, except per share amounts)

12) SEGMENT INFORMATION

The tables below set forth our financial information by reportable segment. Our operating segments, which are the same as our reportable segments, have been determined in accordance with our internal management structure, which is organized based upon products and services.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenues:				
Advertising	$ 1,946	$ 2,174	$ 4,202	$ 4,695
Affiliate and subscription	2,011	2,058	4,078	4,156
Licensing and other	1,200	1,024	2,070	2,050
TV Media	5,157	5,256	10,350	10,901
Advertising	441	363	839	710
Subscription	1,224	830	2,336	1,572
Direct-to-Consumer	1,665	1,193	3,175	2,282
Advertising	11	12	16	14
Theatrical	231	764	358	895
Licensing and other	589	587	1,045	1,078
Filmed Entertainment	831	1,363	1,419	1,987
Eliminations	(37)	(33)	(63)	(63)
Total Revenues	$ 7,616	$ 7,779	$ 14,881	$ 15,107

Revenues generated between segments are principally from intersegment arrangements for the distribution of content, rental of studio space, and advertising, as well as licensing revenues earned from third parties who license our content to our internal platforms either through a sub-license or co-production arrangement. These transactions are recorded at market value as if the sales were to third parties and are eliminated in consolidation. For content that is licensed between segments, content costs are allocated across segments based on the relative value of the distribution windows within each segment. Accordingly, no intersegment licensing revenues or profits are recorded by the licensor segment.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Intercompany Revenues:				
TV Media	$ 8	$ 13	$ 21	$ 24
Filmed Entertainment	29	20	42	39
Total Intercompany Revenues	$ 37	$ 33	$ 63	$ 63

(Tabular dollars in millions, except per share amounts)

We present operating income excluding depreciation and amortization, stock-based compensation, costs for restructuring and other corporate matters, programming charges and gain on dispositions, each where applicable ("Adjusted OIBDA"), as the primary measure of profit and loss for our operating segments in accordance with FASB guidance for segment reporting since it is the primary method used by our management. Stock-based compensation is excluded from our segment measure of profit and loss because it is set and approved by our Board of Directors in consultation with corporate executive management.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Adjusted OIBDA:				
TV Media	$ 1,194	$ 1,380	$ 2,500	$ 2,924
Direct-to-Consumer	(424)	(445)	(935)	(901)
Filmed Entertainment	5	181	(94)	144
Corporate/Eliminations	(124)	(112)	(233)	(216)
Stock-based compensation [(a)]	(45)	(41)	(84)	(75)
Depreciation and amortization	(105)	(94)	(205)	(190)
Programming charges	(697)	—	(2,371)	—
Restructuring and other corporate matters	(54)	(50)	(54)	(107)
Gain on dispositions	—	—	—	15
Operating income (loss)	(250)	819	(1,476)	1,594
Interest expense	(240)	(230)	(466)	(470)
Interest income	33	19	68	40
Gain from investment	168	—	168	—
Loss on extinguishment of debt	—	(47)	—	(120)
Other items, net	(60)	(42)	(106)	(55)
Earnings (loss) from continuing operations before income taxes and equity in loss of investee companies	(349)	519	(1,812)	989
Benefit from (provision for) income taxes	95	(129)	476	(163)
Equity in loss of investee companies, net of tax	(109)	(29)	(184)	(66)
Net earnings (loss) from continuing operations	(363)	361	(1,520)	760
Net earnings from discontinued operations, net of tax	73	61	118	103
Net earnings (loss) (Paramount and noncontrolling interests)	(290)	422	(1,402)	863
Net earnings attributable to noncontrolling interests	(9)	(3)	(15)	(11)
Net earnings (loss) attributable to Paramount	$ (299)	$ 419	$ (1,417)	$ 852

(a) Stock-based compensation expense of $4 million for the three and six months ended June 30, 2023 and $2 million for the six months ended June 30, 2022 is included in "Restructuring and other corporate matters".

13) COMMITMENTS AND CONTINGENCIES

Guarantees

Letters of Credit and Surety Bonds

At June 30, 2023, we had outstanding letters of credit and surety bonds of $175 million that were not recorded on the Consolidated Balance Sheet, as well as a $1.9 billion standby letter of credit facility, under which no letters of credit were issued. Letters of credit and surety bonds are primarily used as security against non-performance in the normal course of business under contractual requirements of certain of our commitments. The standby letter of credit facility, which matures in May 2026, is subject to the same principal financial covenant as the Credit Facility (see Note 6).

CBS Television City

In connection with the sale of the CBS Television City property and sound stage operation (“CBS Television City”) in 2019, we guaranteed a specified level of cash flows to be generated by the business during the first five years following the completion of the sale. Included in “Other current liabilities” on the Consolidated Balance Sheet at June 30, 2023 is a liability totaling $26 million, reflecting the present value of the remaining estimated amount payable under the guarantee obligation.

Lease Guarantees

We have certain indemnification obligations with respect to leases primarily associated with the previously discontinued operations of Famous Players Inc. These lease commitments totaled $14 million at June 30, 2023, and are presented within “Other liabilities” on the Consolidated Balance Sheet. The amount of lease commitments varies over time depending on the expiration or termination of individual underlying leases, or the related indemnification obligation, and foreign exchange rates, among other things. We may also have exposure for certain other expenses related to the leases, such as property taxes and common area maintenance. We believe our accrual is sufficient to meet any future obligations based on our consideration of available financial information, the lessees’ historical performance in meeting their lease obligations and the underlying economic factors impacting the lessees’ business models.

Other

In the course of our business, we both provide and receive indemnities which are intended to allocate certain risks associated with business transactions. Similarly, we may remain contingently liable for various obligations of a business that has been divested in the event that a third party does not live up to its obligations under an indemnification obligation. We record a liability for our indemnification obligations and other contingent liabilities when probable and reasonably estimable.

Legal Matters

General

On an ongoing basis, we vigorously defend ourselves in numerous lawsuits and proceedings and respond to various investigations and inquiries from federal, state, local and international authorities (collectively, “Litigation”). Litigation may be brought against us without merit, is inherently uncertain and always difficult to predict. However, based on our understanding and evaluation of the relevant facts and circumstances, we believe that the following matters are not likely, in the aggregate, to result in a material adverse effect on our business, financial condition and results of operations.

Stockholder Matters

Litigation Relating to the Merger

Beginning in February 2020, three purported CBS stockholders filed separate derivative and/or putative class action lawsuits in the Court of Chancery of the State of Delaware (the “Delaware Chancery Court”). In March 2020, the Delaware Chancery Court consolidated the three lawsuits and appointed Bucks County Employees Retirement Fund and International Union of Operating Engineers of Eastern Pennsylvania and Delaware as co-lead plaintiffs for the consolidated action captioned *In re CBS Corporation Stockholder Class Action and Derivative Litigation* (the “CBS Litigation”). In April 2020, the lead plaintiffs filed a Verified Consolidated Class Action and Derivative Complaint (as used in this paragraph, the “Complaint”) against Shari E. Redstone, National Amusements, Inc., Sumner M. Redstone National Amusements Trust, additional members of the CBS Board of

Directors (including Candace K. Beinecke, Barbara M. Byrne, Gary L. Countryman, Linda M. Griego, Robert N. Klieger, Martha L. Minow, Susan Schuman, Frederick O. Terrell and Strauss Zelnick), former CBS President and Acting Chief Executive Officer Joseph Ianniello and the Company as nominal defendant. The Complaint alleges breaches of fiduciary duties in connection with the negotiation and approval of an Agreement and Plan of Merger, dated as of August 13, 2019, between CBS and Viacom (as amended, the "Merger Agreement"). The Complaint also alleges waste and unjust enrichment in connection with certain aspects of Mr. Ianniello's compensation awards. The Complaint seeks unspecified damages, costs and expenses, as well as other relief. In June 2020, the defendants filed motions to dismiss the Complaint. In January 2021, the Delaware Chancery Court dismissed one disclosure claim, while allowing all other claims against the defendants to proceed. In January 2022, the Delaware Chancery Court granted Bucks County Employees Retirement Fund's motion to withdraw as a co-lead plaintiff in the CBS Litigation. In December 2022, the Delaware Chancery Court dismissed the fiduciary duty claim against Mr. Klieger.

In May 2023, the parties to the CBS Litigation entered into a settlement agreement that provides for, among other things, the final dismissal of the CBS Litigation in exchange for a settlement payment to the Company in the amount of $167.5 million, less administrative costs and plaintiffs' counsels' fees and expenses. The settlement of the CBS Litigation is subject to the final approval of the Delaware Chancery Court.

Beginning in November 2019, four purported Viacom stockholders filed separate putative class action lawsuits in the Delaware Chancery Court. In January 2020, the Delaware Chancery Court consolidated the four lawsuits. In February 2020, the Delaware Chancery Court appointed California Public Employees' Retirement System ("CalPERS") as lead plaintiff for the consolidated action. Subsequently, in February 2020, CalPERS, together with Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago and Louis M. Wilen, filed a First Amended Verified Class Action Complaint (as used in this paragraph, the "Complaint") against NAI, NAI Entertainment Holdings LLC, Shari E. Redstone, the members of the special transaction committee of the Viacom Board of Directors (comprised of Thomas J. May, Judith A. McHale, Ronald L. Nelson and Nicole Seligman) and our President and Chief Executive Officer and director, Robert M. Bakish (as used in this paragraph, the "Viacom Litigation"). The Complaint alleges breaches of fiduciary duties to Viacom stockholders in connection with the negotiation and approval of the Merger Agreement. The Complaint seeks unspecified damages, costs and expenses, as well as other relief. In May 2020, the defendants filed motions to dismiss. In December 2020, the Delaware Chancery Court dismissed the claims against Mr. Bakish, while allowing the claims against the remaining defendants to proceed. In March 2023, the parties to the Viacom Litigation entered into a settlement agreement that provides for, among other things, the final dismissal of the Viacom Litigation in exchange for a settlement payment in the amount of $122.5 million, which we recorded in "Other current liabilities" on the Consolidated Balance Sheet. In July 2023, the Delaware Chancery Court granted final approval of the settlement and dismissed the Viacom Litigation with prejudice.

Litigation Related to Stock Offerings

In August 2021, Camelot Event Driven Fund filed a putative securities class action lawsuit in New York Supreme Court, County of New York, and in November 2021, an amended complaint was filed that, among other changes, added an additional named plaintiff (as used in this paragraph, the "Complaint"). The Complaint is purportedly on behalf of investors who purchased shares of the Company's Class B Common Stock and 5.75% Series A Mandatory Convertible Preferred Stock pursuant to public securities offerings completed in March 2021, and was filed against the Company, certain senior executives, members of our Board of Directors, and the underwriters involved in the offerings. The Complaint asserts violations of federal securities law and alleges that the offering documents contained material misstatements and omissions, including through an alleged failure to adequately disclose certain total return swap transactions involving Archegos Capital Management referenced to our securities and related alleged risks to the Company's stock price. In December 2021, the plaintiffs filed a stipulation seeking the voluntary dismissal without prejudice of the outside director defendants from the lawsuit, which the Court subsequently ordered. On the same date, the defendants filed motions to dismiss the lawsuit, which were heard in January 2023. In February 2023, the Court dismissed all claims against the Company while allowing the claims against the underwriters to proceed. The plaintiffs and underwriter defendants have appealed the ruling.

Litigation Related to Television Station Owners

In September 2019, the Company was added as a defendant in a multi-district putative class action lawsuit filed in the United States District Court for the Northern District of Illinois. The lawsuit was filed by parties that claim to have purchased broadcast television spot advertising beginning about January 2014 on television stations owned by one or more of the defendant television station owners and alleges the sharing of allegedly competitively sensitive information among such television stations in alleged violation of the Sherman Antitrust Act. The action, which names the Company among fourteen total defendants, seeks monetary damages, attorneys' fees, costs and interest as well as injunctions against the allegedly unlawful conduct. In October 2019, the Company and other defendants filed a motion to dismiss the matter, which was denied by the Court in November 2020. We have reached an agreement with the plaintiffs to settle the lawsuit. The settlement, which includes no admission of liability or wrongdoing by the Company, is subject to Court approval.

Claims Related to Former Businesses

Asbestos

We are a defendant in lawsuits claiming various personal injuries related to asbestos and other materials, which allegedly occurred as a result of exposure caused by various products manufactured by Westinghouse, a predecessor, generally prior to the early 1970s. Westinghouse was neither a producer nor a manufacturer of asbestos. We are typically named as one of a large number of defendants in both state and federal cases. In the majority of asbestos lawsuits, the plaintiffs have not identified which of our products is the basis of a claim. Claims against us in which a product has been identified most commonly relate to allegations of exposure to asbestos-containing insulating material used in conjunction with turbines and electrical equipment.

Claims are frequently filed and/or settled in groups, which may make the amount and timing of settlements, and the number of pending claims, subject to significant fluctuation from period to period. We do not report as pending those claims on inactive, stayed, deferred or similar dockets that some jurisdictions have established for claimants who allege minimal or no impairment. As of June 30, 2023, we had pending approximately 20,750 asbestos claims, as compared with approximately 21,580 as of December 31, 2022. During the second quarter of 2023, we received approximately 740 new claims and closed or moved to an inactive docket approximately 1,630 claims. We report claims as closed when we become aware that a dismissal order has been entered by a court or when we have reached agreement with the claimants on the material terms of a settlement. Settlement costs depend on the seriousness of the injuries that form the basis of the claims, the quality of evidence supporting the claims and other factors. Our total costs for the years 2022 and 2021 for settlement and defense of asbestos claims after insurance recoveries and net of tax were approximately $57 million and $63 million, respectively. Our costs for settlement and defense of asbestos claims may vary year to year and insurance proceeds are not always recovered in the same period as the insured portion of the expenses.

Filings include claims for individuals suffering from mesothelioma, a rare cancer, the risk of which is allegedly increased by exposure to asbestos; lung cancer, a cancer which may be caused by various factors, one of which is alleged to be asbestos exposure; other cancers, and conditions that are substantially less serious, including claims brought on behalf of individuals who are asymptomatic as to an allegedly asbestos-related disease. The predominant number of pending claims against us are non-cancer claims. It is difficult to predict future asbestos liabilities, as events and circumstances may impact the estimate of our asbestos liabilities, including, among others, the number and types of claims and average cost to resolve such claims. We record an accrual for a loss contingency when it is both probable that a liability has been incurred and when the amount of the loss can be reasonably estimated. Our liability estimate is based upon many factors, including the number of outstanding claims, estimated average cost per claim, the breakdown of claims by disease type, historic claim filings, costs per claim of resolution and the filing of new claims, as well as consultation with a third party firm on trends that may impact our future asbestos liability. While we believe that our accrual for matters related to our predecessor operations, including environmental and asbestos, are adequate, there can be no assurance that circumstances will not change in future periods, and as a result our actual liabilities may be higher or lower than our accrual.

(Tabular dollars in millions, except per share amounts)

Other

From time to time, we receive claims from federal and state environmental regulatory agencies and other entities asserting that we are or may be liable for environmental cleanup costs and related damages principally relating to our historical and predecessor operations. In addition, from time to time we receive personal injury claims including toxic tort and product liability claims (other than asbestos) arising from our historical operations and predecessors.

14) SUPPLEMENTAL FINANCIAL INFORMATION

Supplemental Cash Flow Information

	Six Months Ended June 30,	
	2023	2022
Cash paid for interest	$ 449	$ 474
Cash paid for income taxes:		
Continuing operations	$ 56	$ 79
Discontinued operations	$ 14	$ 10
Noncash additions to operating lease assets	$ 69	$ 96

Lease Income

We enter into operating leases for the use of our owned production facilities and office buildings. Lease payments received under these agreements consist of fixed payments for the rental of space and certain building operating costs, as well as variable payments based on usage of production facilities and services, and escalating costs of building operations. We recorded total lease income, including both fixed and variable amounts, of $8 million and $22 million for the three and six months ended June 30, 2023, respectively, and $19 million and $34 million for the three and six months ended June 30, 2022, respectively.

(Tabular dollars in millions, except per share amounts)

Restructuring and Other Corporate Matters

During the three and six months ended June 30, 2023 and 2022, we recorded the following costs associated with restructuring and other corporate matters.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
TV Media	$ 32	$ 9	$ 32	$ 9
Direct-to-Consumer	3	1	3	1
Filmed Entertainment	5	—	5	18
Corporate	14	—	14	—
Restructuring charges [(a)]	54	10	54	28
Other corporate matters	—	40	—	79
Restructuring and other corporate matters	$ 54	$ 50	$ 54	$ 107

(a) Restructuring charges include the accelerated vesting of stock-based compensation, where applicable.

Following our 2022 operating segment realignment and as we integrate Showtime into Paramount+, during the second quarter of 2023, we implemented further initiatives to streamline and transform our operations, and as a result recorded restructuring charges of $54 million for associated severance costs.

During the three and six months ended June 30, 2022, we recorded restructuring charges of $10 million and $28 million, respectively, for severance costs primarily associated with management changes following the operating segment realignment noted above.

At June 30, 2023 and December 31, 2022, our restructuring liability was $251 million and $302 million, respectively, and was recorded in “Other current liabilities” and “Other liabilities” on the Consolidated Balance Sheets. During the six months ended June 30, 2023, we made payments for restructuring of $86 million. The restructuring liability at June 30, 2023, which principally relates to severance payments, is expected to be substantially paid by the end of 2024.

Additionally, during the three and six months ended June 30, 2022, we recorded charges for other corporate matters of $40 million associated with litigation described under *Legal Matters—Stockholder Matters* in Note 13, and during the six months ended June 30, 2022, we also recorded a charge of $39 million following Russia’s invasion of Ukraine, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine.

Item 2. Management’s Discussion and Analysis of Results of Operations and Financial Condition.

(Tabular dollars in millions, except per share amounts)

Management’s discussion and analysis of the results of operations and financial condition of Paramount Global should be read in conjunction with the consolidated financial statements and related notes in our Annual Report on Form 10-K for the year ended December 31, 2022. References in this document to “Paramount,” the “Company,” “we,” “us” and “our” refer to Paramount Global.

Significant components of management’s discussion and analysis of results of operations and financial condition include:

- *Overview*—Summary of our business and operational highlights.
- *Consolidated Results of Operations*—Analysis of our results on a consolidated basis for the three and six months ended June 30, 2023 compared with the three and six months ended June 30, 2022.
- *Segment Results of Operations*—Analysis of our results on a reportable segment basis for the three and six months ended June 30, 2023 compared with the three and six months ended June 30, 2022.
- *Liquidity and Capital Resources*—Discussion of our cash flows, including sources and uses of cash, for the six months ended June 30, 2023 and June 30, 2022; and of our outstanding debt as of June 30, 2023.
- *Legal Matters*—Discussion of legal matters to which we are involved.

(Tabular dollars in millions, except per share amounts)

Overview

Operational Highlights - Three Months Ended June 30, 2023 versus Three Months Ended June 30, 2022

Consolidated Results of Operations			**Increase/(Decrease)**	
Three Months Ended June 30,	**2023**	**2022**	**$**	**%**
GAAP:				
Revenues	$ 7,616	$ 7,779	$ (163)	(2)%
Operating income (loss)	$ (250)	$ 819	$ (1,069)	n/m
Net earnings (loss) from continuing operations attributable to Paramount	$ (372)	$ 358	$ (730)	n/m
Diluted EPS from continuing operations	$ (.59)	$ .53	$ (1.12)	n/m
Non-GAAP: (a)				
Adjusted OIBDA	$ 606	$ 963	$ (357)	(37)%
Adjusted net earnings from continuing operations attributable to Paramount	$ 80	$ 429	$ (349)	(81)%
Adjusted diluted EPS from continuing operations	$ .10	$ .64	$ (.54)	(84)%

n/m - not meaningful

(a) Certain items identified as affecting comparability are excluded in non-GAAP results. See "*Reconciliation of Non-GAAP Measures*" for details of these items and reconciliations of non-GAAP results to the most directly comparable financial measures in accordance with accounting principles generally accepted in the United States ("GAAP").

For the three months ended June 30, 2023, revenues decreased 2% to $7.62 billion. A decline in theatrical revenues of $533 million, reflecting the strong performance in 2022 of *Top Gun: Maverick*, and lower revenue from our linear networks, mainly resulting from weakness in the global advertising market, was offset by revenue growth across our streaming services and higher content licensing revenues.

We reported an operating loss of $250 million for the three months ended June 30, 2023 compared with operating income of $819 million for the comparable prior-year period. The comparison was impacted by programming charges of $697 million recorded during the current quarter. Adjusted operating income before depreciation and amortization ("Adjusted OIBDA"), which excludes these charges, as well as other items described under *Reconciliation of Non-GAAP Measures*, decreased 37%, driven by lower advertising revenues and the timing and mix of theatrical releases in each year.

For the three months ended June 30, 2023, we reported a net loss from continuing operations attributable to Paramount of $372 million, or $.59 per diluted share, compared with net earnings from continuing operations attributable to Paramount of $358 million, or $.53 per diluted share in the prior-year period. The comparison was impacted by the programming charges noted above and the other items described under *Reconciliation of Non-GAAP Measures*. These items have been excluded in adjusted net earnings from continuing operations attributable to Paramount and adjusted diluted earnings per share ("EPS"), which decreased $349 million and $.54 per diluted share, respectively. These declines primarily reflect the lower tax-effected Adjusted OIBDA and losses from our investment in SkyShowtime, which launched its streaming service in September 2022.

(Tabular dollars in millions, except per share amounts)

Operational Highlights - Six Months Ended June 30, 2023 versus Six Months Ended June 30, 2022

Consolidated Results of Operations			**Increase/(Decrease)**	
Six Months Ended June 30,	**2023**	**2022**	**$**	**%**
GAAP:				
Revenues	$ 14,881	$ 15,107	$ (226)	(1)%
Operating income (loss)	$ (1,476)	$ 1,594	$ (3,070)	n/m
Net earnings (loss) from continuing operations attributable to Paramount	$ (1,535)	$ 749	$ (2,284)	n/m
Diluted EPS from continuing operations	$ (2.40)	$ 1.11	$ (3.51)	n/m
Non-GAAP: (a)				
Adjusted OIBDA	$ 1,154	$ 1,876	$ (722)	(38)%
Adjusted net earnings from continuing operations attributable to Paramount	$ 152	$ 832	$ (680)	(82)%
Adjusted diluted EPS from continuing operations	$ .19	$ 1.24	$ (1.05)	(85)%

n/m - not meaningful

(a) Certain items identified as affecting comparability are excluded in non-GAAP results. See “*Reconciliation of Non-GAAP Measures*” for details of these items and reconciliations of non-GAAP results to the most directly comparable financial measures in accordance with GAAP.

For the six months ended June 30, 2023, revenues decreased 1% to $14.88 billion, as lower revenues from our theatrical releases and linear networks were offset by growth in revenues from our streaming services, led by Paramount+. The decline for our linear networks principally reflects weakness in the global advertising market.

We reported an operating loss of $1.48 billion for the six months ended June 30, 2023 compared with operating income of $1.59 billion for the comparable prior-year period. The comparison was impacted by programming charges of $2.37 billion recorded in 2023. Adjusted OIBDA, which excludes these charges, as well as other items described under *Reconciliation of Non-GAAP Measures*, decreased 38%, driven by the decline in linear revenues and the timing and mix of theatrical releases in each year.

For the six months ended June 30, 2023, we reported a net loss from continuing operations attributable to Paramount of $1.54 billion, or $2.40 per diluted share, compared with net earnings from continuing operations attributable to Paramount of $749 million, or $1.11 per diluted share, for the same prior-year period. The comparison was impacted by the programming charges noted above and the other items described under *Reconciliation of Non-GAAP Measures*. These items have been excluded in adjusted net earnings from continuing operations attributable to Paramount and adjusted diluted EPS, which decreased $680 million and $1.05 per diluted share, respectively, primarily reflecting the lower tax-effected Adjusted OIBDA and losses from our investment in SkyShowtime.

(Tabular dollars in millions, except per share amounts)

Reconciliation of Non-GAAP Measures

Results for the three and six months ended June 30, 2023 and 2022 included certain items identified as affecting comparability. Adjusted OIBDA, adjusted earnings from continuing operations before income taxes, adjusted provision for income taxes, adjusted net earnings from continuing operations attributable to Paramount, and adjusted diluted EPS from continuing operations (together, the "adjusted measures") exclude the impact of these items and are measures of performance not calculated in accordance with GAAP. We use these measures to, among other things, evaluate our operating performance. These measures are among the primary measures used by management for planning and forecasting of future periods, and they are important indicators of our operational strength and business performance. In addition, we use Adjusted OIBDA to, among other things, value prospective acquisitions. We believe these measures are relevant and useful for investors because they allow investors to view performance in a manner similar to the method used by our management; provide a clearer perspective on our underlying performance; and make it easier for investors, analysts and peers to compare our operating performance to other companies in our industry and to compare our year-over-year results.

Because the adjusted measures are measures of performance not calculated in accordance with GAAP, they should not be considered in isolation of, or as a substitute for, operating income (loss), earnings (loss) from continuing operations before income taxes, (provision for) benefit from income taxes, net earnings (loss) from continuing operations attributable to Paramount or diluted EPS from continuing operations, as applicable, as indicators of operating performance. These measures, as we calculate them, may not be comparable to similarly titled measures employed by other companies.

The following tables reconcile the adjusted measures to their most directly comparable financial measures in accordance with GAAP.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Operating income (loss) (GAAP)	$ (250)	$ 819	$ (1,476)	$ 1,594
Depreciation and amortization	105	94	205	190
Programming charges [a]	697	—	2,371	—
Restructuring and other corporate matters [a]	54	50	54	107
Gain on dispositions [a]	—	—	—	(15)
Adjusted OIBDA (Non-GAAP)	$ 606	$ 963	$ 1,154	$ 1,876

(a) See notes on the following tables for additional information on items affecting comparability.

(Tabular dollars in millions, except per share amounts)

	Three Months Ended June 30, 2023			
	Earnings (Loss) from Continuing Operations Before Income Taxes	**Benefit from (Provision for) Income Taxes**	**Net Earnings (Loss) from Continuing Operations Attributable to Paramount**	**Diluted EPS from Continuing Operations**
Reported (GAAP)	$ (349)	$ 95	$ (372)	$ (.59)
Items affecting comparability:				
Programming charges [(a)]	697	(173)	524	.80
Restructuring charges [(b)]	54	(14)	40	.06
Gain from investment [(c)]	(168)	60	(108)	(.16)
Discrete tax items	—	(4)	(4)	(.01)
Adjusted (Non-GAAP)	$ 234	$ (36)	$ 80	$ .10

(a) Comprised of programming charges recorded in connection with the integration of Showtime into Paramount+. During the second quarter of 2023, we continued the review of our content portfolio that we began during the first quarter and as a result changed the strategy for certain content, which led to content being removed from our platforms or abandoned, the write-off of development costs, distribution changes, and termination of programming agreements.

(b) Consists of severance costs associated with the implementation of initiatives to transform and streamline our operations following our 2022 operating segment realignment and as we integrate Showtime into Paramount+.

(c) Reflects a gain recognized on our retained interest in Viacom18 following the discontinuance of equity method accounting resulting from the dilution of our interest from 49% to 13%.

	Three Months Ended June 30, 2022			
	Earnings from Continuing Operations Before Income Taxes	**Provision for Income Taxes**	**Net Earnings from Continuing Operations Attributable to Paramount**	**Diluted EPS from Continuing Operations**
Reported (GAAP)	$ 519	$ (129)	$ 358	$ .53
Items affecting comparability:				
Restructuring and other corporate matters [(a)]	50	(12)	38	.06
Loss on extinguishment of debt	47	(11)	36	.05
Discrete tax items	—	(3)	(3)	—
Adjusted (Non-GAAP)	$ 616	$ (155)	$ 429	$ .64

(a) Comprised of restructuring charges of $10 million for severance costs primarily associated with management changes following our operating segment realignment, and a charge of $40 million associated with litigation described under *Legal Matters—Stockholder Matters*.

(Tabular dollars in millions, except per share amounts)

	Six Months Ended June 30, 2023			
	Earnings (Loss) from Continuing Operations Before Income Taxes	Benefit from (Provision for) Income Taxes	Net Earnings (Loss) from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	$ (1,812)	$ 476	$ (1,535)	$ (2.40)
Items affecting comparability:				
Programming charges [(a)]	2,371	(582)	1,789	2.74
Restructuring charges [(b)]	54	(14)	40	.06
Gain from investment [(c)]	(168)	60	(108)	(.16)
Discrete tax items [(d)]	—	(34)	(34)	(.05)
Adjusted (Non-GAAP)	$ 445	$ (94)	$ 152	$ .19

(a) Comprised of programming charges recorded in connection with the integration of Showtime into Paramount+ and initiatives to rationalize and right-size our international operations to align with our streaming strategy and close or globalize certain of our international channels. During the six months ended June 30, 2023, we reviewed our content portfolio and as a result changed the strategy for certain content. These changes led to content being removed from our platforms or abandoned, the write-off of development costs, distribution changes, and termination of programming agreements.

(b) Consists of severance costs associated with the implementation of initiatives to transform and streamline our operations following our 2022 operating segment realignment and as we integrate Showtime into Paramount+.

(c) Reflects a gain recognized on our retained interest in Viacom18 following the discontinuance of equity method accounting resulting from the dilution of our interest from 49% to 13%.

(d) Principally reflects a tax benefit from the resolution of an income tax matter in a foreign jurisdiction.

	Six Months Ended June 30, 2022			
	Earnings from Continuing Operations Before Income Taxes	Provision for Income Taxes	Net Earnings from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	$ 989	$ (163)	$ 749	$ 1.11
Items affecting comparability:				
Restructuring and other corporate matters [(a)]	107	(24)	83	.13
Gain on dispositions [(b)]	(15)	4	(11)	(.02)
Loss on extinguishment of debt	120	(28)	92	.14
Discrete tax items [(c)]	—	(81)	(81)	(.12)
Adjusted (Non-GAAP)	$ 1,201	$ (292)	$ 832	$ 1.24

(a) Comprised of charges of $28 million for restructuring, consisting of severance costs primarily associated with management changes following our operating segment realignment; $39 million recorded following Russia's invasion of Ukraine, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine; and $40 million associated with litigation described under *Legal Matters—Stockholder Matters*.

(b) Reflects a gain from the sale of international intangible assets and a working capital adjustment to the gain from the fourth quarter 2021 sale of CBS Studio Center.

(c) Primarily reflects a deferred tax benefit resulting from the transfer of intangible assets between our subsidiaries in connection with a reorganization of our international operations.

(Tabular dollars in millions, except per share amounts)

Consolidated Results of Operations

Three and Six Months Ended June 30, 2023 versus Three and Six Months Ended June 30, 2022

Revenues

	Three Months Ended June 30,					
Revenues by Type	**2023**	**% of Total Revenues**	**2022**	**% of Total Revenues**	**Increase/(Decrease) $**	**%**
Advertising	$ 2,395	31 %	$ 2,545	33 %	$ (150)	(6)%
Affiliate and subscription	3,235	43	2,888	37	347	12
Theatrical	231	3	764	10	(533)	(70)
Licensing and other	1,755	23	1,582	20	173	11
Total Revenues	$ 7,616	100 %	$ 7,779	100 %	$ (163)	(2)%

	Six Months Ended June 30,					
Revenues by Type	**2023**	**% of Total Revenues**	**2022**	**% of Total Revenues**	**Increase/(Decrease) $**	**%**
Advertising	$ 5,046	34 %	$ 5,409	36 %	$ (363)	(7)%
Affiliate and subscription	6,414	43	5,728	38	686	12
Theatrical	358	2	895	6	(537)	(60)
Licensing and other	3,063	21	3,075	20	(12)	—
Total Revenues	$ 14,881	100 %	$ 15,107	100 %	$ (226)	(1)%

Advertising

For the three and six months ended June 30, 2023, advertising revenues decreased 6% and 7%, respectively, driven by a decline in linear advertising reflecting continued weakness in the global advertising market, partially offset by higher advertising for our streaming services. In addition, foreign exchange rate changes negatively impacted the total advertising comparison by 2 percentage points for both the three- and six-month periods.

Affiliate and Subscription

Affiliate and subscription revenues are principally comprised of fees received from multichannel video programming distributors (MVPDs) and third-party live television streaming services (virtual MVPDs or vMVPDs) for carriage of our cable networks (cable affiliate fees) and owned television stations (retransmission fees), fees received from television stations for their affiliation with the CBS Television Network (reverse compensation), and subscription fees for our streaming services.

For each of the three and six months ended June 30, 2023, affiliate and subscription revenues increased 12%, primarily driven by growth in subscribers for Paramount+ to 60.7 million at June 30, 2023 from 43.3 million at June 30, 2022. The increase in subscription revenue was partially offset by lower affiliate fees for our linear networks. The six-month comparison also includes a negative impact from foreign exchange rate changes of 1 percentage point.

Theatrical

For the three and six months ended June 30, 2023, theatrical revenues decreased 70% and 60%, respectively, reflecting the comparison against the strong performance of *Top Gun: Maverick* in the second quarter of 2022.

(Tabular dollars in millions, except per share amounts)

Licensing and Other

Licensing and other revenues are principally comprised of fees from the licensing of the rights to exhibit our internally-produced television and film programming on various platforms in the secondary market after its initial exhibition on our owned or third-party platforms; license fees from content produced or distributed for third parties; home entertainment revenues, which include the viewing of our content on a transactional basis through transactional video-on-demand (TVOD) and electronic sell-through services and the sale and distribution of our content through DVDs and Blu-ray discs to wholesale and retail partners; fees from the use of our trademarks and brands for consumer products, recreation and live events; and revenues from the rental of production facilities.

For the three months ended June 30, 2023, licensing and other revenues increased 11%, primarily reflecting a higher volume of licensing in the secondary market and higher revenues from content produced for third parties.

Operating Expenses

	Three Months Ended June 30,					
					Increase/(Decrease)	
Operating Expenses by Type	**2023**	**% of Operating Expenses**	**2022**	**% of Operating Expenses**	**$**	**%**
Content costs	$ 4,146	79 %	$ 4,117	81 %	$ 29	1 %
Distribution and other	1,081	21	989	19	92	9
Total Operating Expenses	$ 5,227	100 %	$ 5,106	100 %	$ 121	2 %

	Six Months Ended June 30,					
					Increase/(Decrease)	
Operating Expenses by Type	**2023**	**% of Operating Expenses**	**2022**	**% of Operating Expenses**	**$**	**%**
Content costs	$ 8,041	79 %	$ 7,948	80 %	$ 93	1 %
Distribution and other	2,150	21	1,954	20	196	10
Total Operating Expenses	$ 10,191	100 %	$ 9,902	100 %	$ 289	3 %

Content Costs

Content costs include the amortization of costs of internally-produced television and theatrical film content; amortization of acquired program rights; other television production costs, including on-air talent; and participation and residuals expenses, which reflect amounts owed to talent and other participants in our content pursuant to contractual and collective bargaining arrangements.

For the three months ended June 30, 2023, content costs increased 1%, primarily driven by our investment in content for our streaming services and higher costs associated with the increase in licensing revenues, offset by lower costs for our theatrical releases, principally reflecting the comparison against costs for *Top Gun: Maverick* in the second quarter of 2022. For the six month-period, the 1% increase reflects our investment in content for our streaming services offset by lower costs associated with theatrical releases.

Distribution and Other

Distribution and other operating expenses primarily include costs relating to the distribution of our content, including print and advertising for theatrical releases and costs for third-party distribution; compensation; revenue-sharing costs to television stations affiliated with the CBS Television Network; and other ancillary and overhead costs associated with our operations.

(Tabular dollars in millions, except per share amounts)

For the three and six months ended June 30, 2023, distribution and other expenses increased 9% and 10%, respectively, primarily reflecting higher costs associated with the growth of our streaming services, including costs for third-party distribution, revenue sharing, and compensation.

Programming Charges

During the six months ended June 30, 2023, in connection with the integration of Showtime into Paramount+ across both streaming and linear platforms, we performed a comprehensive strategic review of the combined content portfolio of Showtime and Paramount+. Additionally, during the first quarter, we reviewed our international content portfolio in connection with initiatives to rationalize and right-size our international operations to align with our streaming strategy, and close or globalize certain of our international channels. As a result, we changed the strategy for certain content, which led to content being removed from our platforms or abandoned, the write-off of development costs, distribution changes, and termination of programming agreements. Accordingly, we recorded programming charges on the Consolidated Statements of Operations relating to these actions in each quarter. These charges, which totaled $697 million and $2.37 billion for the three and six months ended June 30, 2023, respectively, are comprised of $520 million and $1.97 billion for the impairment of content to its estimated fair value, as well as $177 million and $402 million for development cost write-offs and contract termination costs.

Selling, General and Administrative Expenses

	Three Months Ended June 30,				Six Months Ended June 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	2022	$	%	2023	2022	$	%
Selling, general and administrative expenses	$ 1,783	$ 1,710	$ 73	4 %	$ 3,536	$ 3,329	$ 207	6 %

Selling, general and administrative ("SG&A") expenses include costs incurred for advertising, marketing, occupancy, professional service fees, and back office support, including employee compensation and technology. For the three and six months ended June 30, 2023, SG&A expenses increased 4% and 6%, respectively, driven by higher employee costs, including for incentive compensation and to support the growth of our streaming services. The increase for the six-month period also reflects increased advertising costs associated with our streaming services.

Depreciation and Amortization

	Three Months Ended June 30,				Six Months Ended June 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	2022	$	%	2023	2022	$	%
Depreciation and amortization	$ 105	$ 94	$ 11	12 %	$ 205	$ 190	$ 15	8 %

For the three and six months ended June 30, 2023 depreciation and amortization increased 12% and 8%, respectively, primarily reflecting higher depreciation for software related to the unification and evolution of our systems and platforms.

(Tabular dollars in millions, except per share amounts)

Restructuring and Other Corporate Matters

During the three and six months ended June 30, 2023 and 2022, we recorded the following costs associated with restructuring and other corporate matters.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
TV Media	$ 32	$ 9	$ 32	$ 9
Direct-to-Consumer	3	1	3	1
Filmed Entertainment	5	—	5	18
Corporate	14	—	14	—
Restructuring charges [(a)]	54	10	54	28
Other corporate matters	—	40	—	79
Restructuring and other corporate matters	$ 54	$ 50	$ 54	$ 107

(a) Restructuring charges include the accelerated vesting of stock-based compensation, where applicable.

Following our 2022 operating segment realignment and as we integrate Showtime into Paramount+, during the second quarter of 2023, we implemented further initiatives to streamline and transform our operations, and as a result recorded restructuring charges of $54 million for associated severance costs.

During the three and six months ended June 30, 2022, we recorded restructuring charges of $10 million and $28 million, respectively, for severance costs primarily associated with management changes following the operating segment realignment noted above.

Additionally, during the three and six months ended June 30, 2022 we recorded charges for other corporate matters of $40 million associated with litigation described under *Legal Matters—Stockholder Matters*, and during the six months ended June 30, 2022, we also recorded a charge of $39 million following Russia's invasion of Ukraine, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine.

Gain on Dispositions

For the six months ended June 30, 2022, gain on dispositions of $15 million was comprised of a gain from the sale of international intangible assets and a working capital adjustment to the gain from the fourth quarter 2021 sale of CBS Studio Center.

Interest Expense/Income

	Three Months Ended June 30,				Six Months Ended June 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	**2022**	**$**	**%**	**2023**	**2022**	**$**	**%**
Interest expense	$ 240	$ 230	$ 10	4 %	$ 466	$ 470	$ (4)	(1)%
Interest income	$ 33	$ 19	$ 14	74 %	$ 68	$ 40	$ 28	70 %

(Tabular dollars in millions, except per share amounts)

The following table presents our outstanding debt balances, excluding finance leases, and the weighted average interest rates as of June 30, 2023 and 2022.

	At June 30,			
	2023	Weighted Average Interest Rate	2022	Weighted Average Interest Rate
Total notes and debentures	$ 15,794	5.13 %	$ 15,768	5.13 %
Other bank borrowings	$ —	— %	$ 25	4.36 %

Gain from Investment

During the second quarter of 2023, we recorded a gain of $168 million on our retained interest in Viacom18 following the discontinuance of equity method accounting resulting from the dilution of our interest from 49% to 13%.

Loss on Extinguishment of Debt

For the three and six months ended June 30, 2022, we recorded losses on extinguishment of debt of $47 million and $120 million, respectively, associated with the early redemption of long-term debt of $2.91 billion, of which $970 million was redeemed during the second quarter of 2022.

Other Items, Net

The following table presents the components of Other items, net.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Pension and postretirement benefit costs [(a)]	$ (38)	$ (16)	$ (75)	$ (33)
Foreign exchange loss	(25)	(24)	(34)	(23)
Other	3	(2)	3	1
Other items, net	$ (60)	$ (42)	$ (106)	$ (55)

(a) For the three and six months ended June 30, 2023, the increase in pension and postretirement benefit costs is the result of higher interest cost and a decrease in the expected return on plan assets.

Provision for/Benefit from Income Taxes

The provision for/benefit from income taxes represents federal, state and local, and foreign taxes on earnings (loss) from continuing operations before income taxes and equity in loss of investee companies. For the three and six months ended June 30, 2023, we recorded a benefit from income taxes of $95 million and $476 million, reflecting effective income tax rates of 27.2% and 26.3%, respectively. These income tax benefits are primarily the result of tax benefits of $173 million and $582 million on programming charges of $697 million and $2.37 billion for the three- and six-month periods, respectively. The tax benefit from the programming charges for the quarter, together with a net discrete tax benefit of $4 million and a net tax provision of $46 million on other items identified as affecting the comparability of our results during the period (which include a gain from an investment and restructuring charges) increased our effective income tax rate by 11.8 percentage points. For the six-month period, the tax benefit from the programming charges together with a net discrete tax benefit of $34 million, principally from the resolution of an income tax matter in a foreign jurisdiction, and a net tax provision of $46 million on other items identified as affecting the comparability of our results during the period (which include a gain from an investment and restructuring charges), increased our effective income tax rate by 5.2 percentage points.

(Tabular dollars in millions, except per share amounts)

For the three and six months ended June 30, 2022, we recorded a provision for income taxes of $129 million and $163 million, reflecting effective income tax rates of 24.9% and 16.5%, respectively. Included in the provision for income taxes for the second quarter of 2022 is a net discrete tax benefit of $3 million, which together with a net tax benefit of $23 million on other items identified as affecting the comparability of our results during the period (which include a loss on extinguishment of debt and charges for restructuring and other corporate matters) reduced our effective income tax rate by 0.3 percentage points. The tax provision for the six months ended June 30, 2022 included a net discrete tax benefit of $81 million primarily resulting from the transfer of intangible assets between our subsidiaries in connection with a reorganization of our international operations. This item, together with a net tax benefit of $48 million on other items identified as affecting the comparability of our results during the six-month period (which include a loss on extinguishment of debt, charges for restructuring and other corporate matters, and a gain on dispositions) reduced our effective income tax rate by 7.8 percentage points.

Equity in Loss of Investee Companies, Net of Tax

The following table presents equity in loss of investee companies for our equity-method investments.

	Three Months Ended June 30,				Six Months Ended June 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	2022	$	%	2023	2022	$	%
Equity in loss of investee companies	$ (112)	$ (39)	$ (73)	(187)%	$ (190)	$ (91)	$ (99)	(109)%
Tax benefit	3	10	(7)	(70)	6	25	(19)	(76)
Equity in loss of investee companies, net of tax	$ (109)	$ (29)	$ (80)	(276)%	$ (184)	$ (66)	$ (118)	(179)%

For the three and six months ended June 30, 2023, the higher loss for our equity-method investments was driven by SkyShowtime.

Net Earnings (Loss) from Continuing Operations Attributable to Paramount and Diluted EPS from Continuing Operations

	Three Months Ended June 30,				Six Months Ended June 30,			
			Increase/(Decrease)				Increase/(Decrease)	
	2023	2022	$	%	2023	2022	$	%
Net earnings (loss) from continuing operations attributable to Paramount	$ (372)	$ 358	$ (730)	n/m	$ (1,535)	$ 749	$ (2,284)	n/m
Diluted EPS from continuing operations	$ (.59)	$ .53	$ (1.12)	n/m	$ (2.40)	$ 1.11	$ (3.51)	n/m

n/m-not meaningful

For the three and six months ended June 30, 2023, we reported net losses from continuing operations attributable to Paramount of $372 million, or $.59 per diluted share, and $1.54 billion, or $2.40 per diluted share, respectively, compared with net earnings from continuing operations attributable to Paramount of $358 million, or $.53 per diluted share, and $749 million, or $1.11 per diluted share, for the respective prior-year periods. The decrease for both periods was primarily driven by the decline in tax-effected operating income, including the impact from the programming charges discussed above, partially offset by the investment gain discussed above.

(Tabular dollars in millions, except per share amounts)

Net Earnings from Discontinued Operations

In the fourth quarter of 2020, we entered into an agreement to sell our publishing business, Simon & Schuster, which was previously reported as the *Publishing* segment and as a result, we began presenting Simon & Schuster as a discontinued operation. In the fourth quarter of 2022, we terminated the agreement after the U.S. Department of Justice prevailed in its suit to block the sale. On August 7, 2023, we entered into an agreement to sell Simon & Schuster to affiliates of Kohlberg Kravis & Roberts for $1.62 billion, subject to closing conditions, including regulatory approvals.

The following table sets forth details of net earnings from discontinued operations for the three and six months ended June 30, 2023 and 2022, which primarily reflects the results of Simon & Schuster.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Revenues	$ 292	$ 293	$ 550	$ 510
Costs and expenses:				
Operating	155	161	306	285
Selling, general and administrative	44	47	89	85
Total costs and expenses [(a)]	199	208	395	370
Operating income	93	85	155	140
Other items, net	(4)	(5)	(7)	(6)
Earnings from discontinued operations	89	80	148	134
Provision for income taxes [(b)]	(16)	(19)	(30)	(31)
Net earnings from discontinued operations, net of tax	$ 73	$ 61	$ 118	$ 103

(a) Included in total costs and expenses are amounts associated with the release of indemnification obligations for leases relating to a previously disposed business of $2 million and $6 million for the three and six months ended June 30, 2023, respectively, and $5 million and $10 million for the three and six months ended June 30, 2022, respectively.

(b) The tax provision includes amounts relating to previously disposed businesses of $1 million for the six months ended June 30, 2023, and $1 million and $2 million for the three and six months ended June 30, 2022, respectively.

Segment Results of Operations

We are a global media, streaming and entertainment company that creates premium content and experiences for audiences worldwide, and is comprised of the following segments:

- *TV Media*—Our *TV Media* segment consists of our (1) broadcast operations—the CBS Television Network, our domestic broadcast television network; CBS Stations, our owned television stations; and our international free-to-air networks, Network 10, Channel 5, Telefe, and Chilevisión; (2) premium and basic cable networks, including Showtime (to be rebranded to Paramount+ with Showtime in the future), MTV, Comedy Central, Paramount Network, The Smithsonian Channel, Nickelodeon, BET Media Group, CBS Sports Network, and international extensions of certain of these brands; (3) domestic and international television studio operations, including CBS Studios, Paramount Television Studios and MTV Entertainment Studios, as well as CBS Media Ventures, which produces and distributes first-run syndicated programming. *TV Media* also includes a number of digital properties such as CBS News Streaming and CBS Sports HQ.

- *Direct-to-Consumer*—Our *Direct-to-Consumer* segment consists of our portfolio of domestic and international pay and free streaming services, including Paramount+, Pluto TV, Showtime Networks' domestic premium subscription streaming service (Showtime OTT), BET+ and Noggin. Effective June 27, 2023, we launched the Paramount+ with Showtime plan in the United States, which replaced the Paramount+ Premium plan. Effective July 6, 2023, Showtime OTT was no longer offered as a standalone subscription service for new subscribers.

(Tabular dollars in millions, except per share amounts)

- *Filmed Entertainment*—Our *Filmed Entertainment* segment consists of Paramount Pictures, Paramount Players, Paramount Animation, Nickelodeon Studio, Awesomeness and Miramax.

We present operating income excluding depreciation and amortization, stock-based compensation, costs for restructuring and other corporate matters, programming charges and gain on dispositions, each where applicable ("Adjusted OIBDA"), as the primary measure of profit and loss for our operating segments in accordance with Financial Accounting Standards Board guidance for segment reporting since it is the primary method used by our management. Stock-based compensation is excluded from our segment measure of profit and loss because it is set and approved by our Board of Directors in consultation with corporate executive management. Stock-based compensation is included as a component of our consolidated Adjusted OIBDA. See *Reconciliation of Non-GAAP Measures* for a reconciliation of total Adjusted OIBDA to operating income (loss), the most directly comparable financial measure in accordance with GAAP.

Three Months Ended June 30, 2023 and 2022

	Three Months Ended June 30,					
	2023	% of Total Revenues	2022	% of Total Revenues	Increase/(Decrease) $	Increase/(Decrease) %
Revenues:						
TV Media	$ 5,157	68 %	$ 5,256	68 %	$ (99)	(2)%
Direct-to-Consumer	1,665	21	1,193	15	472	40
Filmed Entertainment	831	11	1,363	17	(532)	(39)
Eliminations	(37)	—	(33)	—	(4)	(12)
Total Revenues	$ 7,616	100 %	$ 7,779	100 %	$ (163)	(2)%

	Three Months Ended June 30,			
	2023	2022	Increase/(Decrease) $	Increase/(Decrease) %
Adjusted OIBDA:				
TV Media	$ 1,194	$ 1,380	$ (186)	(13)%
Direct-to-Consumer	(424)	(445)	21	5
Filmed Entertainment	5	181	(176)	(97)
Corporate/Eliminations	(124)	(112)	(12)	(11)
Stock-based compensation [(a)]	(45)	(41)	(4)	(10)
Total Adjusted OIBDA	606	963	(357)	(37)
Depreciation and amortization	(105)	(94)	(11)	(12)
Programming charges	(697)	—	(697)	n/m
Restructuring and other corporate matters	(54)	(50)	(4)	(8)
Total Operating Income (Loss)	$ (250)	$ 819	$ (1,069)	n/m

n/m - not meaningful

(a) For the three months ended June 30, 2023, stock-based compensation expense of $4 million is included in "Restructuring and other corporate matters".

(Tabular dollars in millions, except per share amounts)

Six Months Ended June 30, 2023 and 2022

	Six Months Ended June 30,					
	2023	**% of Total Revenues**	**2022**	**% of Total Revenues**	**Increase/(Decrease) $**	**%**
Revenues:						
TV Media	$ 10,350	70 %	$ 10,901	72 %	$ (551)	(5)%
Direct-to-Consumer	3,175	21	2,282	15	893	39
Filmed Entertainment	1,419	9	1,987	13	(568)	(29)
Eliminations	(63)	—	(63)	—	—	—
Total Revenues	$ 14,881	100 %	$ 15,107	100 %	$ (226)	(1)%

	Six Months Ended June 30,			
	2023	**2022**	**Increase/(Decrease) $**	**%**
Adjusted OIBDA:				
TV Media	$ 2,500	$ 2,924	$ (424)	(15)%
Direct-to-Consumer	(935)	(901)	(34)	(4)
Filmed Entertainment	(94)	144	(238)	n/m
Corporate/Eliminations	(233)	(216)	(17)	(8)
Stock-based compensation [(a)]	(84)	(75)	(9)	(12)
Total Adjusted OIBDA	1,154	1,876	(722)	(38)
Depreciation and amortization	(205)	(190)	(15)	(8)
Programming charges	(2,371)	—	(2,371)	n/m
Restructuring and other corporate matters	(54)	(107)	53	50
Gain on dispositions	—	15	(15)	n/m
Total Operating Income (Loss)	$ (1,476)	$ 1,594	$ (3,070)	n/m

n/m - not meaningful

(a) For the six months ended June 30, 2023 and 2022, stock-based compensation expense of $4 million and $2 million, respectively, is included in "Restructuring and other corporate matters".

TV Media

Three Months Ended June 30, 2023 and 2022

	Three Months Ended June 30,			
TV Media	**2023**	**2022**	**Increase/(Decrease) $**	**%**
Advertising	$ 1,946	$ 2,174	$ (228)	(10)%
Affiliate and subscription	2,011	2,058	(47)	(2)
Licensing and other	1,200	1,024	176	17
Revenues	$ 5,157	$ 5,256	$ (99)	(2)%
Adjusted OIBDA	$ 1,194	$ 1,380	$ (186)	(13)%

Revenues

For the three months ended June 30, 2023, revenues decreased 2%, reflecting lower advertising and affiliate revenues, partially offset by higher licensing revenues.

(Tabular dollars in millions, except per share amounts)

Advertising

The 10% decrease in advertising revenues was primarily the result of lower impressions for our domestic networks, which were only partially offset by higher pricing, and lower revenues for our international networks, as our advertising revenues continued to be impacted globally by weakness in the advertising market. The decline also reflects lower political advertising sales and an adverse effect from foreign exchange rate changes.

Affiliate and Subscription

Affiliate and subscription revenues decreased 2%, primarily reflecting lower domestic affiliate revenues, driven by subscriber declines, partially offset by contractual pricing increases and higher revenues from pay-per-view boxing events.

Licensing and Other

Licensing and other revenues increased 17%, primarily reflecting a higher volume of licensing in the secondary market and higher revenues from content produced for third parties.

Adjusted OIBDA

Adjusted OIBDA decreased 13%, reflecting the decline in advertising and affiliate revenues, partially offset by higher profits from content licensing.

Six Months Ended June 30, 2023 and 2022

	Six Months Ended June 30,			
			Increase/(Decrease)	
TV Media	**2023**	**2022**	**$**	**%**
Advertising	$ 4,202	$ 4,695	$ (493)	(11)%
Affiliate and subscription	4,078	4,156	(78)	(2)
Licensing and other	2,070	2,050	20	1
Revenues	$ 10,350	$ 10,901	$ (551)	(5)%
Adjusted OIBDA	$ 2,500	$ 2,924	$ (424)	(15)%

Revenues

For the six months ended June 30, 2023, revenues decreased 5%, driven by lower advertising revenues, primarily due to weakness in the global advertising market.

Advertising

The 11% decrease in advertising revenues was primarily the result of lower impressions for our domestic networks, which were only partially offset by higher pricing, and lower revenues for our international networks, as our advertising revenues were impacted globally by weakness in the advertising market. The decline also reflects lower political advertising sales and an adverse effect from foreign exchange rate changes of 2 percentage points.

Affiliate and Subscription

The 2% decrease in affiliate and subscription revenues reflects lower domestic and international affiliate revenues. The decrease in domestic affiliate revenues was driven by subscriber declines, partially offset by contractual pricing increases and higher revenues from pay-per-view boxing events. The decline in international affiliate revenues was driven by unfavorable foreign exchange rate changes, which negatively impacted the total affiliate and subscription revenue comparison by 1 percentage point, and a shift of revenue from our pay television services to our streaming services following the restructuring of certain affiliate agreements.

Licensing and Other

Licensing and other revenues increased 1% for the six months ended June 30, 2023.

Adjusted OIBDA

Adjusted OIBDA decreased 15%, primarily driven by the decline in revenues, partially offset by lower content costs.

Direct-to-Consumer

Three Months Ended June 30, 2023 and 2022

	Three Months Ended June 30,			
			Increase/(Decrease)	
Direct-to-Consumer	**2023**	**2022**	**$**	**%**
Advertising	$ 441	$ 363	$ 78	21 %
Subscription	1,224	830	394	47
Revenues	$ 1,665	$ 1,193	$ 472	40 %
Adjusted OIBDA	$ (424)	$ (445)	$ 21	5 %

	Three Months Ended June 30,			
(in millions)	**2023**	**2022**	**Increase/(Decrease)**	
Paramount+ (Global)				
Subscribers [(a)]	60.7	43.3	17.4	40 %
Revenues	$ 990	$ 672	$ 318	47 %

(a) Subscribers include customers with access to Paramount+, either directly through our owned and operated apps and websites, or through third-party distributors. Our subscribers include paid subscriptions and those customers registered in a free trial. For the periods above, subscriber counts reflect the number of subscribers as of the applicable period-end date.

Revenues

For the three months ended June 30, 2023, the 40% increase in revenues was primarily driven by growth from Paramount+.

Advertising

The 21% increase in advertising revenues was driven by higher impressions for Paramount+ and Pluto TV.

Subscription

The 47% increase in subscription revenues reflects growth across our streaming services, primarily from Paramount+. Paramount+ subscribers grew 17.4 million, or 40%, compared to June 30, 2022, driven by growth in international markets, including from launches in the second half of 2022, and growth in U.S. subscribers. Subscriber growth was impacted by the removal of 1.9 million Paramount+ subscribers following the September 2022 launch of the SkyShowtime streaming service in the Nordics, where it replaced Paramount+ in the market.

(Tabular dollars in millions, except per share amounts)

During the quarter, global Paramount+ subscribers increased 0.7 million, or 1%, to 60.7 million, compared with 60.0 million at March 31, 2023.

Adjusted OIBDA

Adjusted OIBDA increased $21 million, as the higher revenues more than offset higher costs to support growth in our streaming services, including content, distribution and employee costs.

Six Months Ended June 30, 2023 and 2022

	Six Months Ended June 30,			
			Increase/(Decrease)	
Direct-to-Consumer	**2023**	**2022**	**$**	**%**
Advertising	$ 839	$ 710	$ 129	18 %
Subscription	2,336	1,572	764	49
Revenues	$ 3,175	$ 2,282	$ 893	39 %
Adjusted OIBDA	$ (935)	$ (901)	$ (34)	(4)%

	Six Months Ended June 30,			
			Increase/(Decrease)	
	2023	**2022**	**$**	**%**
Paramount+ (Global)				
Revenues	$ 1,955	$ 1,257	$ 698	56 %

Revenues

For the six months ended June 30, 2023, the 39% increase in revenues was primarily driven by growth from Paramount+.

Advertising

The 18% increase in advertising revenues was driven by an increase in impressions, reflecting growth in Paramount+ subscribers.

Subscription

The 49% increase in subscription revenues reflects growth across our streaming services, primarily from Paramount+.

Adjusted OIBDA

Adjusted OIBDA decreased $34 million, as revenue growth was more than offset by higher costs to support growth in our streaming services including content, advertising, distribution and employee costs.

(Tabular dollars in millions, except per share amounts)

Filmed Entertainment

Three Months Ended June 30, 2023 and 2022

	Three Months Ended June 30,			
			Increase/(Decrease)	
Filmed Entertainment	**2023**	**2022**	**$**	**%**
Advertising [(a)]	$ 11	$ 12	$ (1)	(8)%
Theatrical	231	764	(533)	(70)
Licensing and other	589	587	2	—
Revenues	$ 831	$ 1,363	$ (532)	(39)%
Adjusted OIBDA	$ 5	$ 181	$ (176)	(97)%

(a) Primarily reflects advertising revenues earned from the use of *Filmed Entertainment* content on third party digital platforms as well as sponsorships.

Revenues

For the three months ended June 30, 2023, revenues decreased 39%, driven by lower theatrical revenues due to the success of *Top Gun: Maverick* in the prior-year period.

Theatrical

Theatrical revenues decreased 70%, reflecting the benefit to the prior-year period from the strong performance of *Top Gun: Maverick*. The current quarter included theatrical revenues from the second quarter release of *Transformers: Rise of the Beasts* and the first quarter release of *Dungeons & Dragons: Honor Among Thieves.* In addition to *Top Gun: Maverick,* the prior-year period included theatrical revenues from the release of *Sonic the Hedgehog 2* and the first quarter 2022 release of *The Lost City*.

Adjusted OIBDA

Adjusted OIBDA decreased $176 million, primarily as a result of the timing and mix of theatrical releases in each year.

Fluctuations in results for the *Filmed Entertainment* segment may occur as a result of the timing of the recognition of distribution costs, including print and advertising, which are generally incurred before and throughout the theatrical release of a film, while the revenues for the respective film are recognized as earned through the film's theatrical exhibition and distribution to other platforms.

(Tabular dollars in millions, except per share amounts)

Six Months Ended June 30, 2023 and 2022

	Six Months Ended June 30,			
			Increase/(Decrease)	
Filmed Entertainment	**2023**	**2022**	**$**	**%**
Advertising [a]	$ 16	$ 14	$ 2	14 %
Theatrical	358	895	(537)	(60)
Licensing and other	1,045	1,078	(33)	(3)
Revenues	$ 1,419	$ 1,987	$ (568)	(29)%
Adjusted OIBDA	$ (94)	$ 144	$ (238)	n/m

n/m - not meaningful

(a) Primarily reflects advertising revenues earned from the use of *Filmed Entertainment* content on third party digital platforms as well as sponsorships.

Revenues

For the six months ended June 30, 2023, revenues decreased 29%, driven by lower theatrical revenues.

Theatrical

The 60% decrease in theatrical revenues primarily reflects the comparison against the success of *Top Gun: Maverick* in the prior-year period.

Licensing and Other

Licensing and other revenues decreased 3% for the six months ended June 30, 2023.

Adjusted OIBDA

Adjusted OIBDA decreased $238 million, reflecting the timing and mix of theatrical releases in each year.

Fluctuations in results for the *Filmed Entertainment* segment may occur as a result of the timing of the recognition of distribution costs, including print and advertising, which are generally incurred before and throughout the theatrical release of a film, while the revenues for the respective film are recognized as earned through the film's theatrical exhibition and distribution to other platforms.

Liquidity and Capital Resources

Sources and Uses of Cash

We project anticipated cash requirements for our operating, investing and financing needs as well as cash flows expected to be generated and available to meet these needs. Our operating needs include, among other items, expenditures for content for our broadcast and cable networks and streaming services, including television and film programming, sports rights, and talent contracts, as well as advertising and marketing costs to promote our content and platforms; payments for leases, interest, and income taxes; and pension funding obligations. Our planned spending throughout 2023 includes continued increased investment in our streaming services; however, our spending for content may be lower than we initially anticipated due to temporary shutdowns of production on certain of our television and film programming as a result of ongoing labor strikes. In May 2023, the Writers Guild of America (WGA) commenced an industry-wide strike following the expiration of its collective bargaining agreement with the Alliance of Motion Picture and Television ("AMPTP"). In July 2023, the Screen Actors Guild - American Federation of Television and Radio Artists (SAG-AFTRA) also commenced an industry-wide strike after the expiration of its collective bargaining agreement with the AMPTP. The timing of delayed production spending is dependent on when productions resume.

(Tabular dollars in millions, except per share amounts)

Our investing and financing spending includes capital expenditures; acquisitions; funding relating to new and existing investments, including SkyShowtime, our streaming joint venture with Comcast Corporation, under which both parent companies have committed to support initial operations over a multiyear period; discretionary share repurchases, dividends and principal payments on our outstanding indebtedness. Beginning with the dividend declared in the second quarter of 2023, we reduced the quarterly cash dividend on our Class A and Class B Common Stock to $.05 per share (or $.20 annually). We believe that our operating cash flows, cash and cash equivalents, which were $1.71 billion as of June 30, 2023, borrowing capacity under our $3.50 billion Credit Facility described below, as well as access to capital markets are sufficient to fund our operating, investing and financing requirements for the next twelve months.

Our funding for long-term obligations, including our long-term debt obligations due over the next five years, which were $3.35 billion as of June 30, 2023, as well as our other long term commitments, will come primarily from cash flows from operating activities, proceeds from noncore asset sales, including the planned sale of Simon & Schuster, and our ability to refinance our debt. Any additional cash funding requirements are financed with short-term borrowings, including commercial paper, and long-term debt. To the extent that commercial paper is not available to us, the Credit Facility provides sufficient capacity to satisfy short-term borrowing needs. In addition, if necessary, we could increase our liquidity position by reducing non-committed spending. We routinely assess our capital structure and opportunistically enter into transactions to manage our outstanding debt maturities, which could result in a charge from the early extinguishment of debt.

Our access to capital markets can be impacted by factors outside our control, including economic conditions; however, we believe that our strong balance sheet, cash flows, credit facility and credit ratings will provide us with adequate access to funding for our expected cash needs. The cost of any new borrowings is affected by market conditions and short- and long-term debt ratings assigned by independent rating agencies, and there can be no assurance that we will be able to access capital markets on terms and conditions that will be favorable to us.

Cash Flows

The changes in cash and cash equivalents were as follows:

	Six Months Ended June 30,		
	2023	**2022**	**Increase/(Decrease)**
Net cash flow (used for) provided by operating activities from:			
Continuing operations	$ (624)	$ 475	$ (1,099)
Discontinued operations	223	116	107
Net cash flow (used for) provided by operating activities	(401)	591	(992)
Net cash flow used for investing activities from:			
Continuing operations	(225)	(257)	32
Discontinued operations	(2)	(1)	(1)
Net cash flow used for investing activities	(227)	(258)	31
Net cash flow used for financing activities	(547)	(2,498)	1,951
Effect of exchange rate changes on cash and cash equivalents	4	(65)	69
Net decrease in cash and cash equivalents	$ (1,171)	$ (2,230)	$ 1,059

(Tabular dollars in millions, except per share amounts)

Operating Activities

Operating cash flow from continuing operations for the six months ended June 30, 2023 was a net use of cash of $624 million compared to a net source of cash of $475 million for the six months ended June 30, 2022. The use of cash in 2023 as well as the decrease in operating cash flow from continuing operations compared to the prior-year period primarily reflects our increased investment in content. The decrease also reflects higher collections from theatrical releases in the prior-year period, led by collections from *Top Gun: Maverick*.

Operating cash flow for the six months ended June 30, 2023 and 2022 included payments for restructuring, merger-related costs and transformation initiatives of $136 million and $95 million, respectively. Since the merger of Viacom Inc. ("Viacom") with and into CBS Corporation ("CBS") (the "Merger"), we have invested in a number of transformation initiatives. Initially, these were undertaken to realize synergies related to the Merger. More recently, our transformation initiatives are related to future-state technology, including the unification and evolution of systems and platforms, and migration to the cloud. In addition, we are investing in future-state workspaces, including adapting our facilities to accommodate our hybrid and agile work model.

Cash flow provided by operating activities from discontinued operations reflects the operating activities of Simon & Schuster. For the six months ended June 30, 2023, the increase in operating cash flow from discontinued operations reflects higher collections, driven by higher revenues, and the timing of inventory spending.

Investing Activities

	Six Months Ended June 30,	
	2023	**2022**
Investments	$ (124)	$ (141)
Capital expenditures [(a)]	(140)	(151)
Other investing activities [(b)]	39	35
Net cash flow used for investing activities from continuing operations	(225)	(257)
Net cash flow used for investing activities from discontinued operations	(2)	(1)
Net cash flow used for investing activities	$ (227)	$ (258)

(a) Includes payments associated with the implementation of our transformation initiatives of $11 million and $26 million in 2023 and 2022, respectively.

(b) 2023 primarily reflects the collection of receivables associated with the sale of a 37.5% interest in The CW in the prior year and proceeds received from the disposition of certain channels in Latin America. 2022 primarily reflects the disposition of international intangible assets.

Financing Activities

	Six Months Ended June 30,	
	2023	**2022**
Proceeds from issuance of notes and debentures	$ —	$ 991
Repayment of notes and debentures	—	(3,010)
Dividends paid on preferred stock	(29)	(29)
Dividends paid on common stock	(317)	(315)
Payment of payroll taxes in lieu of issuing shares for stock-based compensation	(19)	(13)
Payments to noncontrolling interests	(93)	(77)
Other financing activities	(89)	(45)
Net cash flow used for financing activities	$ (547)	$ (2,498)

(Tabular dollars in millions, except per share amounts)

Dividends

The following table presents dividends declared per share and total dividends for our Class A and B Common Stock and our Mandatory Convertible Preferred Stock for the three and six months ended June 30, 2023 and 2022.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Class A and Class B Common Stock				
Dividends declared per common share	$ .05	$ .24	$ .29	$ .48
Total common stock dividends	$ 34	$ 160	$ 194	$ 318
Mandatory Convertible Preferred Stock				
Dividends declared per preferred share	$ 1.4375	$ 1.4375	$ 2.8750	$ 2.8750
Total preferred stock dividends	$ 14	$ 14	$ 29	$ 29

Capital Structure

The following table sets forth our debt.

	At June 30, 2023	At December 31, 2022
Senior debt (2.90%-7.875% due 2023-2050)	$ 14,162	$ 14,149
Junior debt (6.25% and 6.375% due 2057 and 2062)	1,632	1,632
Other bank borrowings	—	55
Obligations under finance leases	6	10
Total debt [(a)]	15,800	15,846
Less current portion	180	239
Total long-term debt, net of current portion	$ 15,620	$ 15,607

(a) At June 30, 2023 and December 31, 2022, the senior and junior subordinated debt balances included (i) a net unamortized discount of $432 million and $442 million, respectively, and (ii) unamortized deferred financing costs of $86 million and $89 million, respectively. The face value of our total debt was $16.32 billion and $16.38 billion at June 30, 2023 and December 31, 2022, respectively.

During the six months ended June 30, 2022, we redeemed $2.39 billion of senior notes, prior to maturity, for an aggregate redemption price of $2.49 billion, which included second quarter redemptions of $970 million for a redemption price of $1.01 billion. Also in the six-month period, we redeemed $520 million of 5.875% junior subordinated debentures due February 2057 at par. These redemptions resulted in a total pre-tax loss on extinguishment of debt of $47 million and $120 million for the three and six months ended June 30, 2022, respectively.

During the six months ended June 30, 2022, we also issued $1.00 billion of 6.375% junior subordinated debentures due 2062. The interest rate on these debentures will reset on March 30, 2027, and every five years thereafter to a fixed rate equal to the 5-year Treasury Rate (as defined pursuant to the terms of the debentures) plus a spread. These debentures can be called by us at par plus a make whole premium any time before March 30, 2027, or at par on March 30, 2027, or at any interest payment date thereafter.

Our 6.25% junior subordinated debentures due February 2057 accrue interest at the stated fixed rate until February 28, 2027, on which date the rate will switch to a floating rate. These debentures can be called by us at par at any time after the expiration of the fixed-rate period.

The subordination, interest deferral option and extended term of our junior subordinated debentures provide significant credit protection measures for senior creditors and, as a result of these features, the debentures received a 50% equity credit by Standard & Poor's Rating Services and Fitch Ratings Inc., and a 25% equity credit by Moody's Investors Service, Inc.

Commercial Paper

At both June 30, 2023 and December 31, 2022, we had no outstanding commercial paper borrowings.

Credit Facility

During the first quarter of 2023, we amended and extended our $3.50 billion revolving credit facility (the "Credit Facility"), which now matures in January 2027 (the "2023 Amendment"). The Credit Facility is used for general corporate purposes and to support commercial paper borrowings, if any. We may, at our option, also borrow in certain foreign currencies up to specified limits under the Credit Facility. Borrowing rates under the Credit Facility are determined at the time of each borrowing and are generally based on either the prime rate in the U.S. or an applicable benchmark rate plus a margin (based on our senior unsecured debt rating), depending on the type and tenor of the loans entered into. Under the 2023 Amendment, we replaced LIBOR as the benchmark rate for loans denominated in U.S. dollars with Term SOFR. The benchmark rate for loans denominated in euros, sterling and yen is based on EURIBOR, SONIA and TIBOR, respectively. The Credit Facility was also amended to include a provision that the occurrence of a Change of Control (as defined in the amended credit agreement) of Paramount will be an event of default that would give the lenders the right to accelerate any outstanding loans and terminate their commitments. At June 30, 2023, we had no borrowings outstanding under the Credit Facility and the remaining availability under the Credit Facility, net of outstanding letters of credit, was $3.50 billion.

The Credit Facility has one principal financial covenant which sets a maximum Consolidated Total Leverage Ratio ("Leverage Ratio") at the end of each quarter, which prior to the 2023 Amendment was 4.5x. Under the 2023 Amendment, the maximum Leverage Ratio was increased to 5.75x for each quarter through and including the quarter ending September 30, 2024, and will then decrease to 5.5x for the quarters ending December 31, 2024 and March 31, 2025, with decreases of 0.25x for each subsequent quarter until it reaches 4.5x for the quarter ending March 31, 2026. The Leverage Ratio reflects the ratio of our Consolidated Indebtedness, net of unrestricted cash and cash equivalents at the end of a quarter, to our Consolidated EBITDA (each as defined in the amended credit agreement) for the trailing twelve-month period. Under the 2023 Amendment, the definition of the Leverage Ratio was also modified to set the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness to $1.50 billion for quarters ending on or after September 30, 2024. In addition, under the 2023 Amendment, Simon & Schuster shall be treated as a continuing operation for the purposes of calculating Consolidated EBITDA until its disposition. We met the covenant as of June 30, 2023.

Other Bank Borrowings

At June 30, 2023, we had no outstanding bank borrowings under Miramax's $50 million credit facility, which matures in November 2023. This facility replaced the previous $300 million credit facility that matured in April 2023. At December 31, 2022, we had $55 million of bank borrowings under the previous facility with a weighted average interest rate of 7.09%.

Guarantees

Letters of Credit and Surety Bonds

At June 30, 2023, we had outstanding letters of credit and surety bonds of $175 million that were not recorded on the Consolidated Balance Sheet, as well as a $1.9 billion standby letter of credit facility, under which no letters of credit were issued. Letters of credit and surety bonds are primarily used as security against non-performance in the normal course of business under contractual requirements of certain of our commitments. The standby letter of credit facility, which matures in May 2026, is subject to the same principal financial covenant as the Credit Facility (see *Capital Structure—Credit Facility*).

CBS Television City

In connection with the sale of the CBS Television City property and sound stage operation (“CBS Television City”) in 2019, we guaranteed a specified level of cash flows to be generated by the business during the first five years following the completion of the sale. Included in “Other current liabilities” on the Consolidated Balance Sheet at June 30, 2023 is a liability totaling $26 million, reflecting the present value of the remaining estimated amount payable under the guarantee obligation.

Lease Guarantees

We have certain indemnification obligations with respect to leases primarily associated with the previously discontinued operations of Famous Players Inc. These lease commitments totaled $14 million at June 30, 2023, and are presented within “Other liabilities” on the Consolidated Balance Sheet. The amount of lease commitments varies over time depending on the expiration or termination of individual underlying leases, or the related indemnification obligation, and foreign exchange rates, among other things. We may also have exposure for certain other expenses related to the leases, such as property taxes and common area maintenance. We believe our accrual is sufficient to meet any future obligations based on our consideration of available financial information, the lessees’ historical performance in meeting their lease obligations and the underlying economic factors impacting the lessees’ business models.

Other

In the course of our business, we both provide and receive indemnities which are intended to allocate certain risks associated with business transactions. Similarly, we may remain contingently liable for various obligations of a business that has been divested in the event that a third party does not live up to its obligations under an indemnification obligation. We record a liability for our indemnification obligations and other contingent liabilities when probable and reasonably estimable.

Legal Matters

General

On an ongoing basis, we vigorously defend ourselves in numerous lawsuits and proceedings and respond to various investigations and inquiries from federal, state, local and international authorities (collectively, “Litigation”). Litigation may be brought against us without merit, is inherently uncertain and always difficult to predict. However, based on our understanding and evaluation of the relevant facts and circumstances, we believe that the following matters are not likely, in the aggregate, to result in a material adverse effect on our business, financial condition and results of operations.

Stockholder Matters

Litigation Relating to the Merger

Beginning in February 2020, three purported CBS stockholders filed separate derivative and/or putative class action lawsuits in the Court of Chancery of the State of Delaware (the "Delaware Chancery Court"). In March 2020, the Delaware Chancery Court consolidated the three lawsuits and appointed Bucks County Employees Retirement Fund and International Union of Operating Engineers of Eastern Pennsylvania and Delaware as co-lead plaintiffs for the consolidated action captioned *In re CBS Corporation Stockholder Class Action and Derivative Litigation* (the "CBS Litigation"). In April 2020, the lead plaintiffs filed a Verified Consolidated Class Action and Derivative Complaint (as used in this paragraph, the "Complaint") against Shari E. Redstone, National Amusements, Inc., Sumner M. Redstone National Amusements Trust, additional members of the CBS Board of Directors (including Candace K. Beinecke, Barbara M. Byrne, Gary L. Countryman, Linda M. Griego, Robert N. Klieger, Martha L. Minow, Susan Schuman, Frederick O. Terrell and Strauss Zelnick), former CBS President and Acting Chief Executive Officer Joseph Ianniello and the Company as nominal defendant. The Complaint alleges breaches of fiduciary duties in connection with the negotiation and approval of an Agreement and Plan of Merger, dated as of August 13, 2019, between CBS and Viacom (as amended, the "Merger Agreement"). The Complaint also alleges waste and unjust enrichment in connection with certain aspects of Mr. Ianniello's compensation awards. The Complaint seeks unspecified damages, costs and expenses, as well as other relief. In June 2020, the defendants filed motions to dismiss the Complaint. In January 2021, the Delaware Chancery Court dismissed one disclosure claim, while allowing all other claims against the defendants to proceed. In January 2022, the Delaware Chancery Court granted Bucks County Employees Retirement Fund's motion to withdraw as a co-lead plaintiff in the CBS Litigation. In December 2022, the Delaware Chancery Court dismissed the fiduciary duty claim against Mr. Klieger.

In May 2023, the parties to the CBS Litigation entered into a settlement agreement that provides for, among other things, the final dismissal of the CBS Litigation in exchange for a settlement payment to the Company in the amount of $167.5 million, less administrative costs and plaintiffs' counsels' fees and expenses. The settlement of the CBS Litigation is subject to the final approval of the Delaware Chancery Court.

Beginning in November 2019, four purported Viacom stockholders filed separate putative class action lawsuits in the Delaware Chancery Court. In January 2020, the Delaware Chancery Court consolidated the four lawsuits. In February 2020, the Delaware Chancery Court appointed California Public Employees' Retirement System ("CalPERS") as lead plaintiff for the consolidated action. Subsequently, in February 2020, CalPERS, together with Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago and Louis M. Wilen, filed a First Amended Verified Class Action Complaint (as used in this paragraph, the "Complaint") against NAI, NAI Entertainment Holdings LLC, Shari E. Redstone, the members of the special transaction committee of the Viacom Board of Directors (comprised of Thomas J. May, Judith A. McHale, Ronald L. Nelson and Nicole Seligman) and our President and Chief Executive Officer and director, Robert M. Bakish (as used in this paragraph, the "Viacom Litigation"). The Complaint alleges breaches of fiduciary duties to Viacom stockholders in connection with the negotiation and approval of the Merger Agreement. The Complaint seeks unspecified damages, costs and expenses, as well as other relief. In May 2020, the defendants filed motions to dismiss. In December 2020, the Delaware Chancery Court dismissed the claims against Mr. Bakish, while allowing the claims against the remaining defendants to proceed. In March 2023, the parties to the Viacom Litigation entered into a settlement agreement that provides for, among other things, the final dismissal of the Viacom Litigation in exchange for a settlement payment in the amount of $122.5 million, which we recorded in "Other current liabilities" on the Consolidated Balance Sheet. In July 2023, the Delaware Chancery Court granted final approval of the settlement and dismissed the Viacom Litigation with prejudice.

Litigation Related to Stock Offerings

In August 2021, Camelot Event Driven Fund filed a putative securities class action lawsuit in New York Supreme Court, County of New York, and in November 2021, an amended complaint was filed that, among other changes, added an additional named plaintiff (as used in this paragraph, the "Complaint"). The Complaint is purportedly on behalf of investors who purchased shares of the Company's Class B Common Stock and 5.75% Series A Mandatory Convertible Preferred Stock pursuant to public securities offerings completed in March 2021, and was filed against the Company, certain senior executives, members of our Board of Directors, and the underwriters involved in the offerings. The Complaint asserts violations of federal securities law and alleges that the offering documents contained material misstatements and omissions, including through an alleged failure to adequately disclose certain total return swap transactions involving Archegos Capital Management referenced to our securities and related alleged risks to the Company's stock price. In December 2021, the plaintiffs filed a stipulation seeking the voluntary dismissal without prejudice of the outside director defendants from the lawsuit, which the Court subsequently ordered. On the same date, the defendants filed motions to dismiss the lawsuit, which were heard in January 2023. In February 2023, the Court dismissed all claims against the Company while allowing the claims against the underwriters to proceed. The plaintiffs and underwriter defendants have appealed the ruling.

Litigation Related to Television Station Owners

In September 2019, the Company was added as a defendant in a multi-district putative class action lawsuit filed in the United States District Court for the Northern District of Illinois. The lawsuit was filed by parties that claim to have purchased broadcast television spot advertising beginning about January 2014 on television stations owned by one or more of the defendant television station owners and alleges the sharing of allegedly competitively sensitive information among such television stations in alleged violation of the Sherman Antitrust Act. The action, which names the Company among fourteen total defendants, seeks monetary damages, attorneys' fees, costs and interest as well as injunctions against the allegedly unlawful conduct. In October 2019, the Company and other defendants filed a motion to dismiss the matter, which was denied by the Court in November 2020. We have reached an agreement with the plaintiffs to settle the lawsuit. The settlement, which includes no admission of liability or wrongdoing by the Company, is subject to Court approval.

Claims Related to Former Businesses

Asbestos

We are a defendant in lawsuits claiming various personal injuries related to asbestos and other materials, which allegedly occurred as a result of exposure caused by various products manufactured by Westinghouse, a predecessor, generally prior to the early 1970s. Westinghouse was neither a producer nor a manufacturer of asbestos. We are typically named as one of a large number of defendants in both state and federal cases. In the majority of asbestos lawsuits, the plaintiffs have not identified which of our products is the basis of a claim. Claims against us in which a product has been identified most commonly relate to allegations of exposure to asbestos-containing insulating material used in conjunction with turbines and electrical equipment.

Claims are frequently filed and/or settled in groups, which may make the amount and timing of settlements, and the number of pending claims, subject to significant fluctuation from period to period. We do not report as pending those claims on inactive, stayed, deferred or similar dockets that some jurisdictions have established for claimants who allege minimal or no impairment. As of June 30, 2023, we had pending approximately 20,750 asbestos claims, as compared with approximately 21,580 as of December 31, 2022. During the second quarter of 2023, we received approximately 740 new claims and closed or moved to an inactive docket approximately 1,630 claims. We report claims as closed when we become aware that a dismissal order has been entered by a court or when we have reached agreement with the claimants on the material terms of a settlement. Settlement costs depend on the seriousness of the injuries that form the basis of the claims, the quality of evidence supporting the claims and other factors. Our total costs for the years 2022 and 2021 for settlement and defense of asbestos claims after insurance recoveries and net of tax were approximately $57 million and $63 million, respectively. Our costs for settlement and defense of asbestos claims may vary year to year and insurance proceeds are not always recovered in the same period as the insured portion of the expenses.

Filings include claims for individuals suffering from mesothelioma, a rare cancer, the risk of which is allegedly increased by exposure to asbestos; lung cancer, a cancer which may be caused by various factors, one of which is alleged to be asbestos exposure; other cancers, and conditions that are substantially less serious, including claims brought on behalf of individuals who are asymptomatic as to an allegedly asbestos-related disease. The predominant number of pending claims against us are non-cancer claims. It is difficult to predict future asbestos liabilities, as events and circumstances may impact the estimate of our asbestos liabilities, including, among others, the number and types of claims and average cost to resolve such claims. We record an accrual for a loss contingency when it is both probable that a liability has been incurred and when the amount of the loss can be reasonably estimated. Our liability estimate is based upon many factors, including the number of outstanding claims, estimated average cost per claim, the breakdown of claims by disease type, historic claim filings, costs per claim of resolution and the filing of new claims, as well as consultation with a third party firm on trends that may impact our future asbestos liability. While we believe that our accrual for matters related to our predecessor operations, including environmental and asbestos, are adequate, there can be no assurance that circumstances will not change in future periods, and as a result our actual liabilities may be higher or lower than our accrual.

Other

From time to time, we receive claims from federal and state environmental regulatory agencies and other entities asserting that we are or may be liable for environmental cleanup costs and related damages principally relating to our historical and predecessor operations. In addition, from time to time we receive personal injury claims including toxic tort and product liability claims (other than asbestos) arising from our historical operations and predecessors.

Related Parties

See Note 4 to the consolidated financial statements.

Critical Accounting Policies

See Item 7, Management’s Discussion and Analysis of Results of Operations and Financial Condition in our Annual Report on Form 10-K for the year ended December 31, 2022, for a discussion of our critical accounting policies.

Cautionary Note Concerning Forward-Looking Statements

This Quarterly Report on Form 10-Q contains both historical and forward-looking statements, including statements related to our future results and performance. All statements that are not statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements reflect our current expectations concerning future results and events; generally can be identified by the use of statements that include phrases such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “foresee,” “likely,” “will,” “may,” “could,” “estimate” or other similar words or phrases; and involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause our actual results, performance or achievements to be different from any future results, performance or achievements expressed or implied by these statements. These risks, uncertainties and other factors include, among others: risks related to our streaming business; the adverse impact on our advertising revenues as a result of changes in consumer viewership, advertising market conditions and deficiencies in audience measurement; risks related to operating in highly competitive industries, including cost increases; our ability to maintain attractive brands and to offer popular content; changes in consumer behavior, as well as evolving technologies and distribution models; the potential for loss of carriage or other reduction in or the impact of negotiations for the distribution of our content; damage to our reputation or brands; risks related to our ongoing investments in new businesses, products, services, technologies and other strategic activities; losses due to asset impairment charges for goodwill, intangible assets, FCC licenses and programming; risks related to environmental, social and governance (ESG) matters; evolving business continuity, cybersecurity, privacy and data protection and similar risks; content infringement; domestic and global political, economic and regulatory factors affecting our businesses generally; the impact of COVID-19 and other pandemics and measures taken in response thereto; liabilities related to discontinued operations and former businesses; the loss of existing or inability to hire new key employees or secure creative talent; strikes and other union activity, including the ongoing Writers Guild of America (WGA) and Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA) strikes; volatility in the price of our common stock; potential conflicts of interest arising from our ownership structure with a controlling stockholder; and other factors described in our news releases and filings with the Securities and Exchange Commission, including but not limited to our most recent Annual Report on Form 10-K and reports on Form 10-Q and Form 8-K. There may be additional risks, uncertainties and factors that we do not currently view as material or that are not necessarily known. The forward-looking statements included in this Quarterly Report on Form 10-Q are made only as of the date of this report, and we do not undertake any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no significant changes to market risk since reported in our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 4. Controls and Procedures.

Our chief executive officer and chief financial officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934, as amended) were effective, based on the evaluation of these controls and procedures required by Rule 13a-15(b) or 15d-15(b) of the Securities Exchange Act of 1934, as amended.

No change in our internal control over financial reporting occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

The information set forth in Note 13 to the consolidated financial statements appearing in Item 1 of Part I of this Quarterly Report on Form 10-Q under the caption “Legal Matters” is incorporated by reference herein.

Item 1A. Risk Factors.

There have been no material changes to risk factors previously disclosed in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Company Purchases of Equity Securities

In November 2010, we announced that our Board of Directors approved a program to repurchase $1.5 billion of our common stock in open market purchases or other types of transactions (including accelerated stock repurchases or privately negotiated transactions). Since then, various increases totaling $16.4 billion have been approved and announced, including most recently, an increase to the share repurchase program to a total availability of $6.0 billion on July 28, 2016. During the second quarter of 2023, we did not purchase any shares under our publicly announced share repurchase program, which had remaining authorization of $2.36 billion at June 30, 2023.

Item 6. Exhibits.

Exhibit No.		Description of Document
(10)		**Material Contracts**
	(a)	Employment Agreement, dated as of June 28, 2023, between Paramount Global and Naveen Chopra (filed herewith).*
(31)		**Rule 13a-14(a)/15d-14(a) Certifications**
	(a)	Certification of the Chief Executive Officer of Paramount Global. pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (filed herewith).
	(b)	Certification of the Chief Financial Officer of Paramount Global pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (filed herewith).
(32)		**Section 1350 Certifications**
	(a)	Certification of the Chief Executive Officer of Paramount Global furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (furnished herewith).
	(b)	Certification of the Chief Financial Officer of Paramount Global furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (furnished herewith).
(101)		**Interactive Data File**
		101. INS XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
		101. SCH Inline XBRL Taxonomy Extension Schema.
		101. CAL Inline XBRL Taxonomy Extension Calculation Linkbase.
		101. DEF Inline XBRL Taxonomy Extension Definition Linkbase.
		101. LAB Inline XBRL Taxonomy Extension Label Linkbase.
		101. PRE Inline XBRL Taxonomy Extension Presentation Linkbase.
(104)		**Cover Page Interactive Data File** (formatted as Inline XBRL and contained in Exhibit 101).

*Management contract or compensatory plan required to be filed as an exhibit to this form pursuant to Item 15(b).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PARAMOUNT GLOBAL
(Registrant)

Date: August 7, 2023	/s/ Naveen Chopra
	Naveen Chopra *Executive Vice President,* *Chief Financial Officer*
Date: August 7, 2023	/s/ Katherine Gill-Charest
	Katherine Gill-Charest *Executive Vice President, Controller and* *Chief Accounting Officer*

As of June 21, 2023

Mr. Naveen Chopra
c/o last address on file
with the Company
Dear Mr. Chopra:

Paramount Global (the "Company") agrees to employ you, and you accept such employment, on the terms and conditions set forth in this letter agreement ("Agreement"). For purposes of this Agreement, "Paramount" shall mean Paramount Global and its subsidiaries.

1. Contract Period. The term of your employment under this Agreement shall begin on June 21, 2023 (the "Effective Date") and, unless terminated earlier as set forth herein, shall continue through and including June 20, 2026. The period from the Effective Date through June 20, 2026 is referred to as the "Contract Period", even if your employment terminates earlier for any reason.

2. Duties. You shall devote your entire business time, attention and energies to the business of the Company during your employment with the Company. You shall be Executive Vice President, Chief Financial Officer of the Company, and you shall perform all duties reasonable and consistent with such office, to include responsibility for Corporate Development and Strategy, as may be assigned to you from time to time by the President and Chief Executive Officer, or other individual designated by the President and Chief Executive Officer.

3. Compensation.

(a) Salary. The Company shall pay you base salary (as may be increased, "Salary") at a rate of One Million Four Hundred Thousand Dollars ($1,400,000) per year for all of your services as an employee. Your Salary shall be subject to merit reviews, on or about an annual basis, while you are actively employed during the Contract Period and may at that time, be increased but not decreased. Your Salary, less deductions and income and payroll tax withholding as may be required under applicable law, shall be payable in accordance with the Company's ordinary payroll policy, but no less frequently than monthly.

(b) Bonus. You also shall be eligible to earn a bonus ("Bonus") or a Pro-Rated Bonus (as defined in paragraph 19(e)(ii)), as applicable, determined as set forth below and in paragraph 19(e)(ii).

(i) Your Bonus for each Company fiscal year, regardless of whether such fiscal year is a 12-month period or a shorter period of time, shall be determined in accordance with the Company's annual bonus plan in effect from time to time, as determine by the Board or a Committee of the Board (the "STIP").

(ii) Effective as of March 1, 2023, your target Bonus for each Company fiscal year during the Contract Period shall be 175% of your Salary (your "Target Bonus") and shall be adjusted based on the Company's performance (the "Company Performance Factor") and your individual performance (the "Individual

Performance Factor”), in each case as determined by the Company and as further provided in the STIP.

(c) Long-Term Incentive Compensation. During your employment under this Agreement, you shall be eligible to participate in the Company’s equity incentive plan in effect from time to time, at a level appropriate to your position and individual performance as determined by the Board or a committee of the Board, in its discretion, based on a target value of Four Million One Hundred Fifty Thousand Dollars ($4,150,000) per annum beginning with the 2023 grant. The annual design and actual grant date value of your award shall be determined and subject to modification (in a manner consistent with award principles applicable to similarly situated employees of the Company) by the Board or a committee of the Board.

(d) Compensation During Short-Term Disability. Your compensation for any period that you are absent due to a short-term disability (“STD”) and are receiving compensation under a Company STD plan sponsored or maintained by the Company shall be determined in accordance with the terms of such STD plan. The compensation provided to you under the applicable STD plan shall be in lieu of the Salary provided under this Agreement. Your participation in any other Company benefit plans or programs during the STD period shall be governed by the terms of the applicable plan or program documents, award agreements and certificates.

4. Benefits. During your employment under this Agreement, you shall be eligible to participate in any vacation programs, medical and dental plans and life insurance plans, STD and long-term disability (“LTD”) plans, retirement and other employee benefit plans the Company may have, establish or maintain from time to time and for which you qualify pursuant to the terms of the applicable plan.

5. Business Expenses. During your employment under this Agreement, the Company shall reimburse you for such reasonable travel and other expenses, incurred in the performance of your duties in accordance with the Company’s policies, as are customarily reimbursed to Company executives at comparable levels.

6. Non-Competition and Non-Solicitation.

(a) Non-Competition.

(i) Your employment with the Company is on an exclusive and full-time basis, and while you are employed by the Company, you shall not engage in any other business activity which is in conflict with your duties and obligations (including your commitment of time) to the Company. During the Non-Competition Period, you shall not directly or indirectly engage in or participate as an owner, partner, holder or beneficiary of stock, stock options or other equity interest, officer, employee, director, manager, partner or agent of, or consultant for, any business competitive with any business of Paramount without the prior written consent of Paramount. This provision shall not limit your right to own and have options or other rights to purchase not more than one percent (1%) of any of the debt or equity securities of any business organization that is then filing reports with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, unless such ownership constitutes a significant portion of your net worth. Nothing in the foregoing shall prevent you from serving on up to two (2) boards, so long as you comply with the process outlined in and receive the approvals necessary per the Company's business code of conduct statement and conflict of interest policy. For the avoidance of doubt, you will not be given permission to serve on any board where such service provides a conflict of interest to the Company, including in terms of time. At all times, your work for the Company must remain your first professional priority.

(ii) The "Non-Competition Period" begins on the Effective Date and ends on the last day of the Contract Period, provided that:

1. If the Company terminates your employment without Cause or you resign for Good Reason before the end of the Contract Period, then the Non-Competition Period shall end on the earlier of (i) the end of the period in which you are receiving payments pursuant to paragraph 11(c)(i) or (ii) the effective date of your waiver in writing of any right to receive or continue to receive compensation and benefits under paragraph 11. You shall be deemed to have irrevocably provided such waiver if you accept competing employment (as defined in Paragraph 6(a)(i) above).

2. If the Company terminates your employment for Cause or you resign other than for Good Reason, the Non-Competition Period shall end on the earlier of (i) the last day of the Contract Period or (ii) eighteen (18) months after such termination or resignation.

(b) Non-Solicitation.

(i) During the Non-Solicitation Period, you shall not directly or indirectly engage or attempt to engage in any of the following acts:

1. Employ or solicit the employment of any person who is then, or has been within six (6) months prior thereto, an employee of Paramount; or

2. Interfere with, disturb or interrupt the relationships (whether or not such relationships have been reduced to formal contracts) of Paramount with any customer, supplier, independent contractor, consultant, joint venture or other business partner (to the extent each of the limitations in this paragraph 6(b)(i)(2) is permitted by applicable law).

(ii) The "Non-Solicitation Period" begins on the Effective Date and ends on the last day of the Contract Period, or, if longer, eighteen (18) months after the Company terminates your employment for Cause or you resign other than for Good Reason.

(c) Severability. If any court determines that any portion of this paragraph 6 is invalid or unenforceable, the remainder of this paragraph 6 shall not thereby be affected and shall be given full effect without regard to the invalid provisions. If any court construes any of the provisions of this Section 6, or any part thereof, to be unreasonable because of the duration or scope of such provision, such court shall have the power to reduce the duration or scope of such provision and to enforce such provision as so reduced.

7. Confidentiality and Other Obligations.

(a) Confidential Information. You shall not use for any purpose or disclose to any third party any information relating to the Company, the Company's clients or other parties with which the Company has a relationship, or that may provide the Company with a competitive advantage ("Confidential Information"), other than (i) in the performance of your duties under this Agreement consistent with the Company's policies or (ii) as may otherwise be required by law or legal process; provided, however, that nothing in the foregoing prohibits you from reporting what you in good faith believe to be violations of federal law to any governmental agency you in good faith believe to have responsibility for enforcement of such law or from making any other disclosure that is protected under the whistleblower protections of federal law. Additionally, you are hereby notified that the immunity provisions in Section 1833 of title 18 of the United States Code provide that an individual cannot be held criminally or civilly liable under any federal or state trade secret law for any disclosure of a trade secret that is made (x) in confidence to federal, state or local government officials, either directly or indirectly, or to an attorney, and is solely for the purpose of reporting or investigating a suspected violation of the law, (y) under seal in a complaint or other document filed in a lawsuit or other proceeding, or (z) to your attorney in connection with a lawsuit for retaliation for reporting a suspected violation of law (and the trade secret may be used in the court proceedings for such lawsuit) as long as any document containing the trade secret is filed under seal and the trade secret is not disclosed except pursuant to court order. Confidential Information shall include, without limitation, trade secrets; inventions (whether or not patentable); technology and business processes; business, product or marketing plans; negotiating strategies; sales and other forecasts; financial information; client lists or other intellectual property; information relating to compensation and benefits; public information that becomes proprietary as a result of the Company's compilation of that information for use in its business; documents (including any electronic record, videotapes or audiotapes) and oral communications incorporating Confidential Information. You shall also comply with any and all confidentiality obligations of the Company to a third party of which you are aware, whether arising under a written agreement or otherwise. Information shall not be deemed Confidential Information if it is or becomes generally available to the public other than as a result of an unauthorized disclosure or action by you or at your direction.

(b) Interviews, Speeches or Writings about the Company. Except in the performance of your duties under this Agreement consistent with the Company's policies, you shall obtain the express authorization of the Company before (i) giving any speeches or interviews or (ii) preparing or assisting any person or entity in the preparation of any books, articles, radio broadcasts, electronic communications, television or motion picture productions or other creations, in either case concerning the Company or any of its respective businesses, officers, directors, agents, employees, suppliers or customers.

(c) Non-Disparagement. You shall not, directly or indirectly, in any communications with any reporter, author, producer or any similar person or entity, the press or other media, or any customer, client or supplier of the Company, criticize, ridicule or make any statement which is negative, disparages or is derogatory of the Company or any of its directors or senior officers.

(d) Scope and Duration. The provisions of paragraph 7(a) shall be in effect during the Contract Period and at all times thereafter. The provisions of paragraphs 7(b) and 7(c) shall be in effect during the Contract Period and for one (1) year thereafter and such provisions shall apply to all formats and platforms now known or hereafter developed, whether written, printed, oral or electronic, including without limitation e-mails, “blogs”, internet sites, chat or news rooms, podcasts or any online forum.

8. Company Property.

(a) Company Ownership.

(i) The results and proceeds of your services to the Company, whether or not created during the Contract Period, including, without limitation, any works of authorship resulting from your services and any works in progress resulting from such services, shall be works-made-for-hire and the Company shall be deemed the sole owner throughout the universe of any and all rights of every nature in such works, with the right to use, license or dispose of the works in perpetuity in any manner the Company determines in its sole discretion without any further payment to you, whether such rights and means of use are now known or hereafter defined or discovered.

(ii) If, for any reason, any of the results and proceeds of your services to the Company are not legally deemed a work-made-for-hire and/or there are any rights in such results and proceeds which do not accrue to the Company under this paragraph 8(a), then you hereby irrevocably assign any and all of your right, title and interest thereto, including, without limitation, any and all copyrights, patents, trade secrets, trademarks and/or other rights of every nature in the work, and the Company shall have the sole right to use, license or dispose of the work in perpetuity throughout the universe in any manner the Company determines in its sole discretion without any further payment to you, whether such rights and means of use are now known or hereafter defined or discovered.

(iii) Upon request by the Company, whether or not during the Contract Period, you shall do any and all things which the Company may deem useful or desirable to establish or document the Company’s rights in the results and proceeds of your services to the Company, including, without limitation, the execution of appropriate copyright, trademark and/or patent applications, assignments or similar documents. You hereby irrevocably designate the General Counsel, Secretary or any Assistant Secretary of the Company as your attorney-in-fact with the power to take such action and execute such documents on your behalf. To the extent you have any rights in such results and proceeds that cannot be assigned as described above, you unconditionally and irrevocably waive the enforcement of such rights.

(iv) The provisions of this paragraph 8(a) do not limit, restrict, or constitute a waiver by the Company of any ownership rights to which the Company may be entitled by operation of law by virtue of being your employer.

(v) You and the Company acknowledge and understand that the provisions of this paragraph 8 requiring assignment of inventions to the Company do not apply to any invention which qualifies fully under the provisions of California Labor Code Section 2870, to the extent that such provision applies to you. You agree to advise the Company promptly in writing of any inventions that you believe meet the criteria in California Labor Code Section 2870.

(b) Return of Property. All documents, data, recordings, or other property, whether tangible or intangible, including all information stored in electronic form, obtained or prepared by or for you and utilized by you in the course of your employment with the Company shall remain the exclusive property of the Company and shall remain in the Company's exclusive possession at the conclusion of your employment.

9. Legal Matters.

(a) Communication. Except as required by law or legal process or at the request of the Company, you shall not communicate with anyone (other than your attorneys who agree to keep such matters confidential), except to the extent necessary in the performance of your duties under this Agreement in accordance with the Company's policies, with respect to the facts or subject matter of any claim, litigation, regulatory or administrative proceeding directly or indirectly involving the Company ("Company Legal Matter") without obtaining the prior consent of the Company or its counsel; provided, however, that nothing in the foregoing prohibits you from reporting what you in good faith believe to be violations of federal law to any governmental agency you in good faith believe to have responsibility for enforcement of such law or from making any other disclosure that is protected under the whistleblower protections of federal law.

(b) Cooperation. You agree to cooperate with the Company and its attorneys in connection with any Company Legal Matter or Company investigation. Your cooperation shall include, without limitation, providing assistance to and meeting with the Company's counsel, experts or consultants, and providing truthful testimony in pretrial and trial or hearing proceedings. In the event that your cooperation is requested after the termination of your employment, the Company shall (i) seek to minimize interruptions to your schedule to the extent consistent with its interests in the matter; and (ii) reimburse you for all reasonable and appropriate out-of-pocket expenses actually incurred by you in connection with such cooperation upon reasonable substantiation of such expenses.

(c) Testimony. Except as required by law or legal process or at the request of the Company, you shall not testify in any lawsuit or other proceeding which directly or indirectly involves the Company, or which is reasonably likely to create the impression that such testimony is endorsed or approved by the Company.

(d) Notice to Company. If you are requested or if you receive legal process requiring you to provide testimony, information or documents (including electronic documents) in any Company Legal Matter or that otherwise relates, directly or indirectly, to the Company or any of its officers, directors, employees or affiliates, you shall give prompt notice of such event to Paramount's General Counsel and you shall follow any lawful direction of Paramount's General Counsel or his/her designee with respect to your response to such request or legal process.

(e) Adverse Party. The provisions of this paragraph 9 shall not apply to any litigation or other proceeding in which you are a party adverse to the Company; provided, however, that the Company expressly reserves its rights under paragraph 7 and its attorney-client and other privileges and immunities, including, without limitation, with respect to its documents and Confidential Information, except if expressly waived in writing by Paramount’s General Counsel or his/her designee.

(f) Duration. The provisions of this paragraph 9 shall apply during the Contract Period and at all times thereafter, and shall survive the termination of your employment with the Company, with respect to any Company Legal Matter arising out of or relating to the business in which you were engaged during your employment with the Company. As to all other Company Legal Matters, the provisions of this paragraph 9 shall apply during the Contract Period and for one year thereafter or, if longer, during the pendency of any Company Legal Matter which was commenced, or which the Company received notice of, during such period.

10. Termination for Cause.

(a) Termination Payments. The Company may terminate your employment under this Agreement for Cause and thereafter shall have no further obligations to you under this Agreement or otherwise, except for any earned but unpaid Salary through and including the date of termination of employment and any other amounts or benefits required to be paid or provided by law or under any plan of the Company (the “Accrued Compensation and Benefits”). Without limiting the generality of the preceding sentence, upon termination of your employment for Cause, you shall have no further right to any Bonus or to exercise or redeem any stock options or other equity compensation.

(b) Cause Definition. “Cause” shall mean: (i) conduct constituting embezzlement, material misappropriation or fraud, whether or not related to your employment with the Company; (ii) conduct constituting a felony, whether or not related to your employment with the Company; (iii) conduct constituting a financial crime, material act of dishonesty or material unethical business conduct, involving the Company; (iv) willful unauthorized disclosure or use of Confidential Information; (v) the failure to substantially obey a material lawful directive that is appropriate to your position from a superior in your reporting line or the Board; (vi) your material breach of any material obligation under this Agreement; (vii) the failure or refusal to substantially perform your material obligations under this Agreement (other than any such failure or refusal resulting from your STD or LTD); (viii) the willful failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, whether or not related to employment with the Company, after being instructed by the Company to cooperate; (ix) the willful destruction of or willful failure to preserve documents or other material known to be relevant to any investigation referred to in subparagraph (viii) above; or (x) the willful inducement of others to engage in the conduct described in subparagraphs (i) – (ix), including, without limitation, with regard to subparagraph (vi), obligations of others to the Company.

(c) Notice/Cure. The Company shall give you written notice prior to terminating your employment for Cause or, if no cure period is applicable, contemporaneous with termination of your employment for Cause, setting forth in reasonable detail the nature of any alleged failure, breach or refusal in reasonable detail and the conduct required to cure such breach, failure or refusal. Except for a failure, breach or refusal which, by its nature, cannot reasonably be expected to be cured, you shall have ten (10) business days from the giving of such notice within which to cure; provided, however, that, if the Company reasonably expects irreparable injury from a delay of ten (10) business days, the Company may give you notice of such shorter period within which to cure as is reasonable under the circumstances, which may include the termination of your employment without notice and with immediate effect.

11. Resignation for Good Reason and Termination without Cause.

(a) Resignation for Good Reason.

(i) You may resign for Good Reason at any time that you are actively employed during the Contract Period by written notice to the Company no more than thirty (30) days after the occurrence of the event constituting Good Reason. Such notice shall state the grounds for such Good Reason resignation and an effective date no earlier than thirty (30) business days after the date it is given. The Company shall have thirty (30) business days from the giving of such notice within which to cure and, in the event of such cure, your notice shall be of no further force or effect.

(ii) "Good Reason" shall mean without your consent (other than in connection with the termination or suspension of your employment or duties for Cause or in connection with your death or LTD): (i) the assignment to you of duties or responsibilities substantially inconsistent with your position(s) or duties; (ii) the material diminution of your duties, responsibilities or authority, including as the Chief Financial Officer of a publicly traded company; (iii) a material reduction of your Salary, Target Bonus or target long-term incentive compensation amount, including a reduction from the levels to which they may be increased during the Contract Term; or (iv) the material breach by the Company of any material obligation under this Agreement.

(b) Termination without Cause. The Company may terminate your employment under this Agreement without Cause at any time during the Contract Period by written notice to you.

(c) Termination Payments/Benefits. In the event that your employment terminates under paragraph 11(a) or (b), you shall thereafter receive the compensation and benefits described below and the following shall apply:

(i) The Company shall continue to pay your Salary (at the rate in effect on the date of termination) at the same time and in the same manner as if you had not terminated employment for the longer of one (1) year or until the end of the Contract Period;

(ii) You shall be eligible to receive a Bonus or Pro-Rated Bonus, as applicable, for each Company fiscal year or portion thereof during the Contract Period, calculated as provided in paragraph 19(e)(iii), provided that the total severance payment you receive pursuant to paragraphs 11(c)(i) and (ii) shall in no event exceed two times the sum of your Salary and Target Bonus in the year in which such termination occurs;

(iii) Provided you validly elect continuation of your medical and dental coverage under Section 4980B(f) of the Internal Revenue Code of 1986 (the "Code") (relating to coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA")), your coverage and participation under the Company's medical and dental benefit plans and programs in which you were participating immediately prior to your termination of employment pursuant to this paragraph 11, shall continue at no cost to you (except as set forth below) until the earlier of

(i) the end of the Contract Period, but in no event less than one (1) year after the termination of your employment, or (ii) the date on which you become eligible for medical and/or dental coverage from another employer; provided, that, during the period that the Company provides you with this coverage, an amount equal to the total applicable COBRA cost (or such other amounts as may be required by law) will be included in your income for tax purposes and the Company may withhold taxes from your termination payments for this purpose; and provided, further, that you may elect to continue your medical and dental coverage under COBRA at your own expense for the balance, if any, of the period required by law;

(iv) The Company shall continue to provide you with life insurance coverage, at no premium cost to you (unless you had no coverage at the time of termination), until the end of the Contract Period or, if longer, the end of the period in which you are receiving payments pursuant to paragraph 11(c)(i), in accordance with the Company's then-current policy, as may be amended from time to time, and in the amount then furnished at no cost to other Company executives at comparable levels. Such coverage shall end in the event you are eligible to obtain life insurance coverage from another employer;

(v) With respect to any stock options granted to you under any of the Company's long-term incentive plans in effect from time to time:

(x) all stock options that have not vested as of the termination of your employment (your "Separation Date"), but that would have vested on or before the end of the Contract Period, shall become fully vested on the later of your Separation Date or upon receipt of a Release executed by you, and such stock options shall remain exercisable for six (6) months after your Separation Date (or if longer, such period provided under the terms of the applicable long-term incentive plan), but in no event later than the expiration date of such options; and

(y) all outstanding stock options that have vested on or prior to your Separation Date shall remain exercisable for six (6) months after such date (or if longer, such period provided under the terms of the applicable long-term incentive plan), but in no event later than the expiration date of such options.

(vi) All restricted share units or restricted shares granted to you under any of the Company's long-term incentive plans in effect from time to time that have not vested as of your Separation Date, but that would have vested on or before the end of the Contract Period, shall become fully vested on the later of your Separation Date or upon receipt of a Release executed by you. There shall be no acceleration of the vesting of any equity or long-term incentive awards granted to you under any of the Company's long-term plans in effect from time to time, unless otherwise provided herein or under the terms of the applicable long-term incentive plan;

(vii) All performance share units granted to you under any of the Company's equity incentive plans as in effect from time to time that have not vested as of your Separation Date, but that would have vested on or before the end of the Contract Period shall become fully vested on the later of your Separation Date or upon receipt of a Release executed by you, with all performance goals relating to any performance period not completed as of the date of your termination of employment deemed achieved at target levels, and subject to any timing or holding requirements in the applicable long-term incentive plan or award agreement; and

(viii) The Company shall pay or continue to provide, as applicable, the Accrued Compensation and Benefits.

(d) Release. Your entitlement to the payments and benefits described in this paragraph 11 is conditioned on your execution and delivery to the Company, within sixty (60) days after your termination of employment (the "Release Deadline"), of a release in substantially the form appended hereto as Appendix A that remains in effect and becomes irrevocable after the expiration of any statutory period in which you are permitted to revoke a release (the "Release"). If you fail to execute and deliver the Release by the Release Deadline, or if you thereafter effectively revoke the Release, the Company shall be under no obligation to make any further payments or provide any further benefits to you and any payments and benefits previously provided to you pursuant to this paragraph 11 shall not have been earned. In such event, you shall promptly repay the Company any payments made and the Company's direct cost for any benefits provided to you pursuant to this paragraph 11. The limitations of this paragraph shall not apply to the Accrued Compensation and Benefits.

(e) Offset. The amount of payments provided in paragraph 11 in respect of the period that begins one (1) year after the termination of your employment shall be reduced by any compensation, excluding compensation for continued service on any board of directors for which you were serving prior to your separation date, for services earned by you (including as an independent consultant or independent contractor) from any source in respect of the period that begins one (1) year after the termination of your employment and ends when the Company is no longer required to make payments pursuant to paragraph 11 (the "Offset Period"), including, without limitation, salary, sign-on or annual bonus, consulting fees, commission payments and any amounts the payment of which is deferred at your election, or with your consent, until after the expiration of the Offset Period; provided that, if the Company in its reasonable discretion determines that any grant of long-term compensation is made in substitution of the aforementioned payments, such payments shall be further reduced by the value on the date of grant, as reasonably determined by the Company, of such long-term compensation you receive. You agree to promptly notify the Company of any arrangements during the Offset Period in which you earn compensation for services and to cooperate fully with the Company in determining the amount of any such reduction.

12. Resignation in Breach of the Agreement. If you resign other than for Good Reason prior to the expiration of the Contract Period, such resignation is a material breach of this Agreement and, without limitation of other rights or remedies available to the Company, the Company shall have no further obligations to you under this Agreement or otherwise, except to make termination payments provided in paragraph 10(a).

13. Termination Due to Death.

(a) Death While Employed. In the event of your death prior to the end of the Contract Period while actively employed with the Company, this Agreement shall automatically terminate. Thereafter, your designated beneficiary (or, if there is no such beneficiary, your estate) shall receive (i) any Accrued Compensation and Benefits as of the date of your death and (ii) for the year in which death occurs, any Bonus or Pro-Rated Bonus, as applicable, which you would have been eligible to receive, calculated in accordance with paragraph 19(e)(iii). In no event shall a distribution be made pursuant to clause (i) in the preceding sentence later than the 60th day following your death and a distribution pursuant to clause (ii) in the preceding sentence shall be made at the same time and in the same manner as if you were still actively employed with the Company.

(b) Death After the End of Employment. In the event of your death while you are entitled to receive compensation or benefits under paragraphs 11 or 15, in lieu of such payments your designated beneficiary (or, if there is no such beneficiary, your estate) shall receive, to the extent not previously paid to you, (i) continuation of Salary pursuant to the applicable paragraph through the date of death; (ii) if you were entitled to receive compensation or benefits under paragraph 11, for the year in which death occurs, any Bonus or Pro-Rated Bonus, as applicable, for the year in which death occurs, payable under such paragraph, calculated in accordance with paragraph 19(e)(iii); and (iii) any Accrued Compensation and Benefits. In no event shall a distribution be made pursuant to clauses (i) and (iii) in the preceding sentence later than the 60th day following your death and a distribution pursuant to clause (ii) in the preceding sentence shall be made at the same time and in the same manner as if you were still actively employed with the Company.

14. Long-Term Disability. In the event you are absent due to a LTD and you are receiving compensation under a the Company LTD plan, then, effective on the date you begin receiving compensation under such plan, (i) this Agreement shall terminate without any further action required by the Company, (ii) you shall be considered an “at-will” employee of the Company, and (iii) you shall have no guarantee of specific future employment nor continuing employment generally when your receipt of compensation under a the Company LTD plan ends, except as required by applicable law . In the event of such termination of this Agreement, you shall receive (i) any Accrued Compensation and Benefits and (ii) for the year in which such termination occurs, any Bonus or Pro-Rated Bonus, as applicable, which you would have been entitled to receive, calculated in accordance with paragraph 19(e)(iii). Except as set forth in the previous sentence, the compensation provided to you under the applicable LTD plan shall be in lieu of any compensation from the Company (including, but not limited to, the Salary provided under this Agreement or otherwise). Your participation in any other the Company benefit plans or programs shall be governed by the terms of the applicable plan or program documents, award agreements and certificates.

15. Non-Renewal. If the Company does not extend or renew this Agreement at the end of the Contract Period and you have not entered into a new contractual relationship with the Company, your continuing employment, if any, with the Company shall be “at-will” and may be terminated at any time by either party. If the Company terminates your employment during the one (1) year period commencing with the last day of the Contract Period while you are an employee at-will, the Company shall continue to pay your Salary (at the rate in effect on the date of termination) at the same time and in the same manner as if you had not terminated employment for the balance, if any, of such one (1) year period; provided, however, that (i) you shall not be entitled to such Salary continuation if the Company terminates your employment for reasons constituting Cause and (ii) any such Salary continuation shall be subject to offset as set forth in Section 11(d) above, without giving effect to the one (1) year period referenced therein.

16. Severance Plan Adjustment. In the event that your employment with the Company terminates pursuant to paragraph 11 or 15, and, at the time of your termination of employment there is in effect a Company severance plan (a “Severance Plan”) for which you are eligible to participate or would have been eligible to participate but for your having entered into this Agreement or being a Specified Employee and which provides for severance compensation that is greater than the amounts to which you are entitled under paragraphs 11(c)(i) and 11(c)(ii) or paragraph 15, then the amounts of your severance compensation under this Agreement shall automatically be adjusted to equal those that would have been

provided to you under the Severance Plan. For the avoidance of doubt, any payment entitlement pursuant to this paragraph 16 is in lieu of, and not in addition to, any severance compensation to which you may otherwise be entitled under this Agreement. Notwithstanding any adjustment to the amount of your entitlements pursuant to this paragraph 16, all other provisions of this Agreement shall remain in effect, including, without limitation, paragraphs 6, 7, 8 and 9.

17. Further Events on Termination of Employment.

(a) Termination of Benefits. Except as otherwise expressly provided in this Agreement, your participation in all the Company benefit plans and programs (including, without limitation, medical and dental coverage, life insurance coverage, vacation accrual, all retirement and the related excess plans, STD and LTD plans and accidental death and dismemberment and business travel and accident insurance and your rights with respect to any outstanding equity compensation awards) shall be governed by the terms of the applicable plan and program documents, award agreements and certificates.

(b) Resignation from Official Positions. If your employment with the Company terminates for any reason, you shall be deemed to have resigned at that time from any and all officer or director positions that you may have held with the Company and all board seats or other positions in other entities to which you have been designated by the Company or which you have held on behalf of the Company. If, for any reason, this paragraph 17(b) is deemed insufficient to effectuate such resignation, you hereby authorize the Secretary and any Assistant Secretary of the Company to execute any documents or instruments which the Company may deem necessary or desirable to effectuate such resignation or resignations, and to act as your attorney-in fact.

18. Survival; Remedies.

(a) Survival. Your obligations under paragraphs 6, 7, 8 and 9 shall remain in full force and effect for the entire period provided therein notwithstanding the termination of your employment for any reason or the expiration of the Contract Period.

(b) Modification of Terms. You and the Company acknowledge and agree that the restrictions and remedies contained in paragraphs 6, 7, 8 and 9 are reasonable and that it is your intention and the intention of the Company that such restrictions and remedies shall be enforceable to the fullest extent permissible by law. If a court of competent jurisdiction shall find that any such restriction or remedy is unenforceable, but would be enforceable if some part were deleted or modified, then such restriction or remedy shall apply with the deletion or modification necessary to make it enforceable and shall in no way affect any other provision of this Agreement or the validity or enforceability of this Agreement.

(c) Injunctive Relief. The Company has entered into this Agreement in order to obtain the benefit of your unique skills, talent, and experience. You acknowledge and agree that any violation of paragraphs 6, 7, 8 and 9 shall result in irreparable damage to the Company, and, accordingly, the Company may obtain injunctive and other equitable relief for any breach or threatened breach of such paragraphs, in addition to any other remedies available to the Company. To the extent permitted by applicable law, you hereby waive any right to the posting of a bond in connection with any injunction or other equitable relief sought by the Company and you agree not to seek such relief in your opposition to any application for relief the Company shall make.

(d) Other Remedies. In the event that you materially violate the provisions of paragraphs 6, 7, 8 or 9 at any time during the Non-Competition Period or any period in which the Company is making payments to you pursuant to this Agreement, (i) any outstanding stock options or other undistributed equity awards granted to you by the Company shall immediately be forfeited, whether vested or unvested; and (ii) the Company's obligation to make any further payments or to provide benefits (other than Accrued Compensation and Benefits) to you pursuant to this Agreement shall terminate. The Company shall give you written notice prior to commencing any remedy under this paragraph 18(d) or, if no cure period is applicable, contemporaneous with such commencement, setting forth the nature of any alleged violation in reasonable detail and the conduct required to cure such violation. Except for a violation which, by its nature, cannot reasonably be expected to be cured, you shall have ten (10) business days from the giving of such notice within which to cure; provided, however, that, if the Company reasonably expects irreparable injury from a delay of ten (10) business days, the Company may give you notice of such shorter period within which to cure as is reasonable under the circumstances, which may include commencement of a remedy without notice and with immediate effect. The remedies under this paragraph 18 are in addition to any other remedies the Company may have against you, including under this Agreement or any other agreement, under any equity or other incentive or compensation plan or under applicable law.

19. General Provisions.

(a) Deductions and Withholdings. In the event of the termination of your employment for any reason, the Company reserves the right, to the extent permitted by law and in addition to any other remedy the Company may have, to deduct from any monies that are otherwise payable to you, and that do not constitute deferred compensation within the meaning of Section 409A of the Code, the regulations promulgated thereunder or any related guidance issued by the U.S. Treasury Department ("Section 409A") all monies and the replacement value of any property you may owe to the Company at the time of or subsequent to the termination of your employment with the Company**.** The Company shall not make any such deduction from any amount that constitutes deferred compensation for purposes of Section 409A. To the extent any law requires an employee's consent to the offset provided in this paragraph and permits such consent to be obtained in advance, this Agreement shall be deemed to provide the required consent. Except as otherwise expressly provided in this Agreement or in any Company benefit plan, all amounts payable under this Agreement shall be paid in accordance with the Company's ordinary payroll practices less deductions and income and payroll tax withholding as may be required under applicable law. Any property (including shares of Class B Common Stock), benefits and perquisites provided to you under this Agreement, including, without limitation, COBRA payments made on your behalf, shall be taxable to you as provided by law.

(b) Cash and Equity Awards Modifications. Notwithstanding any other provisions of this Agreement to the contrary, the Company reserves the right to modify or amend unilaterally the terms and conditions of your cash compensation, stock option awards or other equity awards, without first asking your consent, to the extent that the Company considers such modification or amendment necessary or advisable to comply with any law, regulation, ruling, judicial decision, accounting standard, regulatory guidance or other legal requirement (the "Legal Requirement") applicable to such cash compensation, stock option awards or other equity awards, provided that, except where necessary to comply with law, such amendment does not have a material adverse effect on the value of such compensation award to you. In addition, the Company may, without your consent, amend or modify your cash compensation, stock option awards or other equity awards in any manner that the Company considers necessary or advisable to ensure that such cash compensation, stock option awards or other equity awards are not subject to United States federal income tax, state or local income tax or any equivalent taxes in territories outside the United States prior to payment, exercise, vesting or settlement, as applicable, or any tax, interest or penalties pursuant to Section 409A.

(c) Section 409A Provisions.

(i) The Company may, without your consent, amend any provision of this Agreement to the extent that, in the reasonable judgment of the Company, such amendment is necessary or advisable to avoid the imposition on you of any tax, interest or penalties pursuant to Section 409A or otherwise to make this Agreement enforceable. Any such amendment shall maintain, to the maximum extent practicable, the original intent and economic benefit to you of the applicable provision.

(ii) It is the intention and understanding of the parties that all amounts and benefits to which you become entitled under this Agreement will be paid or provided to you pursuant to a fixed schedule within the meaning of Section 409A. Notwithstanding such intention and understanding, in the event that you are a specified employee as determined by the Company (a "Specified Employee") at the time of your Separation from Service (as defined below), then to the extent that any amount or benefit owed to you under this Agreement (x) constitutes an amount of deferred compensation for purposes of Section 409A and (y) is considered for purposes of Section 409A to be owed to you by virtue of your Separation from Service, then such amount or benefit shall not be paid or provided during the six (6) month period following the date of your Separation from Service and instead shall be paid or provided on the first day of the seventh month following your date of Separation from Service; *provided*, *however*, that such delay shall apply only to the extent that such payments and benefits, in the aggregate, exceed the lesser of an amount equal to (x) two (2) times your annualized compensation (as determined under the Code Section 409A regulations) and (y) two (2) times the applicable Code Section 401(a)(17) annual compensation limit for the year in which your termination occurs; *provided*, *further*, that any payments made during such six (6) month period shall first be made to cover all costs relating to medical, dental and life insurance coverage to which you are entitled under this Agreement and thereafter shall be made in respect of other amounts or benefits owed to you.

(iii) As used herein, "Separation from Service" shall mean either (i) the termination of your employment with the Company and its affiliates, provided that such termination of employment meets the requirements of a separation of service determined using the default provisions set forth in Treasury Regulation §1.409A-(1)(h) or the successor provision thereto or (ii) such other date that constitutes a separation from service with the Company and its affiliates meeting the requirements of the default provisions set forth in Treasury Regulation §1.409A-(1)(h) or the successor provision thereto. For purposes of this definition, "affiliate" means any corporation that is in the same controlled group of corporations (within the meaning of Code Section 414(b)) as the Company and any trade or business that is under common control with the Company (within the meaning of Code Section 414(c)), determined in accordance with the default provision set forth in Treasury Regulation §1.409A-(1)(h)(3).

(iv) If under any provision of this Agreement you become entitled to be paid Salary continuation, then each payment of Salary during the relevant continuation period shall be considered, and is hereby designated as, a separate payment for purposes of Section 409A (and consequently your entitlement to such Salary continuation shall not be considered an entitlement to a single payment of the aggregate amount to be paid during the relevant continuation period).

(d) No Duplicative Payments. The payments and benefits provided in this Agreement in respect to the termination of employment and non-renewal of this Agreement are in lieu of any other salary, bonus or benefits payable by the Company, including, without limitation, any severance or income continuation or protection under any the Company plan that may now or hereafter exist. All such payments and benefits shall constitute liquidated damages, paid in full and final settlement of all obligations of the Company to you under this Agreement.

(e) Payment of Bonus Compensation.

(i) The Bonus for any Company fiscal year under this Agreement shall be paid by March 15th of the following year.

(ii) Except as otherwise expressly provided in this Agreement, your Bonus shall be prorated (x) to apply only to that part of the Company’s fiscal year which falls within the Contract Period and (y) to the extent the Company's fiscal year is less than a 12-month fiscal year (a “Pro-Rated Bonus”). Following expiration of the Contract Period, you shall receive a Pro-Rated Bonus for the period of the Company’s fiscal year which falls within the Contract Period only (x) in the event that the Company terminates your employment without Cause prior to the date on which employees of the Company become entitled to Bonus under the STIP, (y) as provided in paragraph 11(c)(ii) or (z) as provided in the STIP.

(iii) Any Bonus or Pro-Rated Bonus payable pursuant to paragraphs 11, 13 or 14 shall be paid at the lesser of (x) your Target Bonus amount or (y) your Target Bonus amount, adjusted based on the Company Performance Factor for the relevant year.

(f) Parachute Payment Adjustments. Notwithstanding anything herein to the contrary, in the event that you receive any payments or distributions, whether payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, that constitute “parachute payments” within the meaning of Section 280G of the Code, and the net after-tax amount of the parachute payment is less than the net after-tax amount if the aggregate payment to be made to you were three times your “base amount” (as defined in Section 280G(b)(3) of the Code) less \$1.00, then the aggregate of the amounts constituting the parachute payment shall be reduced to an amount that shall equal three times your base amount, less \$1.00. The determinations to be made with respect to this paragraph 19(f) shall be made by a certified public accounting firm designated by the Company and reasonably acceptable to you.

(g) Adjustments to Bonuses and Long-Term Incentive Compensation. Notwithstanding anything herein to the contrary, the Company shall be entitled to adjust the amount of any Bonus or any award of long-term incentive compensation if the financial statements of Paramount or the business unit on which the calculation or determination of the Bonus or award of long-term incentive compensation were based are subsequently restated and, in the judgment of Paramount, the financial statements as so restated would have resulted in a smaller Bonus or long-term incentive compensation award if such information had been known at the time the Bonus or award had originally been calculated or determined. In addition, in the event of such a restatement: (i) the Company may require you, and you agree, to repay to the Company the amount by which the Bonus as originally calculated or determined exceeds the Bonus as adjusted pursuant to the preceding sentence; and (ii) the Company may cancel, without any payment therefor, the portion of any award of long-term incentive compensation that exceeds the award adjusted pursuant to the preceding sentence (or, if such portion of an award cannot be canceled because (x) in the case of stock options or other similar awards, you have previously exercised it, the Company may require you, and you agree, to repay to the Company the amount, net of any exercise price, that you realized upon exercise or (y) in the case of restricted share units or other similar awards, shares of Class B Common Stock were delivered to you in settlement of such award, the Company may require you, and you agree to return the shares of Class B Common Stock, or if such shares were sold by you, return any proceeds realized on the sale of such shares).

(h) Mediation. Prior to the commencement of any legal proceeding relating to your employment, you and the Company agree to attempt to mediate the dispute using a professional mediator from JAMS, The Resolution Experts (“JAMS”). Within a period of 30 days after a written request for mediation by either you or the Company, the parties agree to convene with the mediator, for at least one session to attempt to resolve the matter. In no event will mediation delay commencement of any legal proceeding for more than 30 days absent agreement of the parties or prevent a bona fide application by either party to a court of competent jurisdiction for emergency relief. The fees of the mediator and of the JAMS shall be borne by the Company.

20. Additional Representations and Acknowledgments.

(a) No Acceptance of Payments. You represent that you have not accepted or given nor shall you accept or give, directly or indirectly, any money, services or other valuable consideration from or to anyone other than the Company or the Company for the inclusion of any matter as part of any film, television, internet or other programming produced, distributed and/or developed by the Company.

(b) Company Policies. You recognize that the Company is an equal opportunity employer. You agree that you shall comply with the Company’s employment practices and policies, as they may be amended from time to time, and with all applicable federal, state and local laws prohibiting discrimination on any basis. In addition, you agree that you shall comply with any code of conduct, ethics or business policies adopted by the Company from time to time and the Company’s other policies and procedures, as they may be amended from time to time, and provide the certifications and conflict of interest disclosures required by such policies.

(c) No Restriction on Employment. You represent that (i) you have disclosed to the Company all employment agreements, covenants and restrictions to which you are or have been a party; and (ii) you reasonably believe you are not subject to any covenant, agreement or restriction (including, but not limited to, a covenant of non competition) with or by any third party that would prevent you from beginning your employment on August 10, 2020 and thereafter performing your duties and responsibilities for the Company, or would impinge upon, interfere with, or restrict your ability to perform your duties or responsibilities for the Company under this Agreement**.**

21. Notices. Notices under this Agreement must be given in writing, by personal delivery, regular mail or receipted email, at the parties’ respective addresses shown on this Agreement (or any other address designated in writing by either party), with a copy, in the case of the Company, to the attention of Paramount’s General Counsel. Any notice given by regular mail shall be deemed to have been given three (3) days following such mailing.

22. Binding Effect; Assignment.This Agreement and rights and obligations of the Company hereunder shall not be assigned by the Company, provided that the Company may assign this Agreement

to any subsidiary or affiliated company of or any successor in interest to the Company provided that such assignee assumes all of the obligations of the Company hereunder. This Agreement is for the performance of personal services by you and may not be assigned by you, except that the rights specified in Section 13 shall pass upon your death to your designated beneficiary (or, if there is no such beneficiary, your estate).

23. **GOVERNING LAW AND FORUM. You acknowledge that this agreement has been executed, in whole or in part, in New York. Accordingly, you agree that this Agreement and all matters or issues arising out of or relating to your employment with the Company shall be governed by the laws of the State of New York applicable to contracts entered into and performed entirely therein. Any action to enforce or otherwise relating to this Agreement and the rights and obligations hereunder shall be brought solely in the state or federal courts located in the City of New York, Borough of Manhattan.**

24. No Implied Contract. Nothing contained in this Agreement shall be construed to impose any obligation on the Company or you to renew this Agreement or any portion hereof or on the Company to establish or maintain any benefit, welfare or compensation plan or program or to prevent the modification or termination of any benefit, welfare or compensation plan or program or any action or inaction with respect to any such benefit, welfare or compensation plan or program. The parties intend to be bound only upon full execution of a written agreement by both parties and no negotiation, exchange of draft, partial performance or tender of an agreement (including any extension or renewal of this Agreement) executed by one party shall be deemed to imply an agreement or the renewal or extension of any agreement relating to your employment with the Company. Neither the continuation of employment nor any other conduct shall be deemed to imply a continuing agreement upon the expiration of the Contract Period.

25. Severability. In the event any provision or part of this Agreement is found to be invalid or unenforceable, only that particular provision or part so found, and not the entire Agreement, shall be inoperative.

26. Entire Understanding. This Agreement contains the entire understanding of the parties hereto relating to the subject matter contained in this Agreement, and, except as otherwise provided herein, can be modified only by a writing signed by both parties.

27. Supersedes Prior Agreements. With respect to the period covered by the Contract Period, this Agreement supersedes and cancels all prior agreements relating to your employment with the Company.

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Please confirm your understanding of the Agreement by signing and returning this Agreement. This document shall constitute a binding agreement between us only after it also has been executed by the Company and a fully executed copy has been returned to you. Facsimile signatures, digital signatures, and signatures delivered and obtained in e-mail PDF format will be deemed originals for all purposes.

Very truly yours,

PARAMOUNT GLOBAL

By: /s/ Nancy Phillips
Nancy Phillips
Executive Vice President,
Chief People Officer

ACCEPTED AND AGREED:

/s/ Naveen Chopra

Naveen Chopra

Dated: June 28, 2023

Appendix A

[Insert name and home address]

This General Release of all Claims (this "Agreement") is entered into by [insert executive's name] (the "Executive") and [insert name of employer] (the "Company"), effective as of ______________________.[1] For purposes of this Agreement, "Paramount" shall mean Paramount Global and its subsidiaries.

In consideration of the promises set forth in the letter agreement between the Executive and the Company, dated [insert date] (the "Employment Agreement"), the Executive and the Company agree as follows:

1. Return of Property. All Company files, access keys and codes, desk keys, ID badges, computers, records, manuals, electronic devices, computer programs, papers, electronically stored information or documents, telephones and credit cards, and any other property of the Company in the Executive's possession must be returned no later than the date of the Executive's termination from the Company.

2. General Release and Waiver of Claims.

(a) Release. In consideration of the payments and benefits provided to the Executive under the Employment Agreement and after consultation with counsel, the Executive and each of the Executive's respective heirs, executors, administrators, representatives, agents, insurers, successors and assigns (collectively, the "Releasors") hereby irrevocably and unconditionally release and forever discharge the Company, Paramount and their subsidiaries and affiliates, predecessors, successors and each of their respective officers, employees, directors, shareholders and agents ("Releasees") from any and all claims, actions, causes of action, rights, judgments, obligations, damages, demands, accountings or liabilities of whatever kind or character (collectively, "Claims"), including, without limitation, any Claims under any federal, state, local or foreign law, that the Releasors may have, or in the future may possess, arising out of (i) the Executive's employment relationship with and service as an employee, officer or director of the Company, or any subsidiaries, successors, predecessors or affiliated companies and the termination of such relationship or service, and (ii) any event, condition, circumstance or obligation that occurred, existed or arose on or prior to the date hereof and relates to your employment with the Company; provided, however, that the Executive does not release, discharge or waive any rights to (i) payments and benefits provided under the Employment Agreement that are contingent upon the execution by the Executive of this Agreement or otherwise expressly survive termination thereof and (ii) any indemnification rights the Executive may have in accordance with the Company's governance instruments or under any director and officer liability insurance maintained by the Company with respect to liabilities arising as a result of the Executive's service as an officer and employee of the Company. Executive represents that the Executive does not have, and has not asserted, any Claims for or allegations concerning sexual or gender-based harassment with respect to the Executive's employment with the Company.

(b) Specific Release of ADEA Claims. In further consideration of the payments and benefits provided to the Executive under the Employment Agreement, the Releasors hereby unconditionally release and forever discharge the Releasees from any and all Claims that the Releasors may have as of the date the Executive signs this Agreement arising under the Federal Age Discrimination

[1] This date should coincide with termination of employment and should not be filled in at the time of the signing of the employment agreement.

in Employment Act of 1967, as amended, including the Older Workers Benefit Protection Act of 1990 ("OWBPA"), and the applicable rules and regulations promulgated thereunder ("ADEA"). By signing this Agreement, the Executive hereby acknowledges and confirms the following: (i) the Executive was advised by the Company in connection with the Executive's termination to consult with an attorney of the Executive's choice prior to signing this Agreement and to have such attorney explain to the Executive the terms of this Agreement, including, without limitation, the terms relating to the Executive's release of claims arising under ADEA, and the Executive has in fact consulted with an attorney; (ii) the Executive was given a period of not fewer than 21**[45]**[2] days to consider the terms of this Agreement and to consult with an attorney of the Executive's choosing with respect thereto; (iii) the Executive knowingly and voluntarily accepts the terms of this Agreement; and (iv) the Executive is providing this release and discharge only in exchange for consideration in addition to anything of value to which the Executive is already entitled. The Executive also understands that the Executive has seven (7) days following the date on which the Executive signs this Agreement within which to revoke the release contained in this paragraph 2(b), by providing the Company a written notice of the Executive's revocation of the release and waiver contained in this paragraph 2(b); provided, however, that if the Executive exercises the Executive's right to revoke the release contained in this paragraph 2(b), the Executive shall not be entitled to any amounts paid to the Executive under the termination provisions of the Employment Agreement and the Company may reclaim any such amounts paid to the Executive and may terminate any benefits and payments that are subsequently due under the Employment Agreement, except as prohibited by the ADEA and OWBPA.

(c) No Assignment. The Executive represents and warrants that the Executive has not assigned any of the Claims being released under this Agreement. The Company may assign this Agreement, in whole or in part, to any affiliated company or subsidiary of, or any successor in interest to, the Company.

3. Communications with Administrative Agencies. Nothing in this Agreement precludes or is intended to preclude the Executive from: (i) filing a complaint and/or charge with any federal, state, or local governmental agency and/or cooperating with said agency in an investigation, including but not limited to the Equal Employment Opportunity Commission and the Securities and Exchange Commission; (ii) responding to a request for information from any governmental agency, including without limitation, agencies overseeing unemployment insurance benefits and taxing authorities; or (iii) engaging in activities protected by state, local or federal law. Should any complaint, action or charge be brought against a Releasee concerning Executive's employment with the Company or the cessation thereof (or any other matter released pursuant to paragraph 2), Executive has waived, by signing this Agreement (unless such waiver is prohibited by applicable law), any right to any individual relief, including monetary damages, in connection with such complaint or charge, regardless of who brings any such complaint or charge, except that this Agreement does not limit Executive's right to receive an award for information provided to any governmental agency.

4. Remedies. In the event the Executive initiates or voluntarily participates in any Proceeding in violation of this Agreement, or if the Executive fails to abide by any of the terms of this Agreement or the Executive's post-termination obligations contained in the Employment Agreement, the Company may, in addition to any other remedies it may have, reclaim any amounts paid to the Executive under the termination provisions of the Employment Agreement and terminate any benefits or payments that are subsequently due under the Employment Agreement, except as prohibited by the ADEA and OWBPA, without waiving the release granted herein. The Executive acknowledges and agrees that the remedy at law available to the Company for breach of any of the Executive's post-termination obligations under the Employment Agreement or the Executive's obligations under paragraphs 2 and 3 herein would

[2] 45 days in a RIF scenario

be inadequate and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms. Accordingly, the Executive acknowledges, consents and agrees that, in addition to any other rights or remedies that the Company may have at law or in equity or as may otherwise be set forth in the Employment Agreement, the Company shall be entitled to seek a temporary restraining order or a preliminary or permanent injunction, or both, without bond or other security, restraining the Executive from breaching the Executive's post-termination obligations under the Employment Agreement or the Executive's obligations under paragraphs 2 and 3 herein. Such injunctive relief in any court shall be available to the Company, in lieu of, or prior to or pending determination in, any arbitration proceeding.

The Executive understands that by entering into this Agreement the Executive shall be limiting the availability of certain remedies that the Executive may have against the Company and limiting also the Executive's ability to pursue certain claims against the Company.

5. Severability Clause. In the event any provision or part of this Agreement is found to be invalid or unenforceable, only that particular provision or part so found, and not the entire Agreement, shall be inoperative.

6. Nonadmission. Nothing contained in this Agreement shall be deemed or construed as an admission of wrongdoing or liability on the part of the Company.

7. GOVERNING LAW AND FORUM. The Executive acknowledges that this Agreement has been executed, in whole or in part, in New York. Accordingly, the Executive agrees that this Agreement and all matters or issues arising out of or relating to the Executive's employment with the Company shall be governed by the laws of the State of New York applicable to contracts entered into and performed entirely therein. Any action to enforce or otherwise relating to this Agreement and the rights and obligations hereunder shall be brought solely in the state or federal courts located in the City of New York, Borough of Manhattan.

8. Notices. Notices under this Agreement must be given in writing, by personal delivery, regular mail or receipted email, at the parties' respective addresses shown on this Agreement (or any other address designated in writing by either party), with a copy, in the case of the Company, to the attention of the Paramount General Counsel. Any notice given by regular mail shall be deemed to have been given three (3) days following such mailing.

THE EXECUTIVE ACKNOWLEDGES THAT THE EXECUTIVE HAS READ THIS AGREEMENT AND THAT THE EXECUTIVE FULLY KNOWS, UNDERSTANDS AND APPRECIATES ITS CONTENTS, AND THAT THE EXECUTIVE HEREBY EXECUTES THE SAME AND MAKES THIS AGREEMENT AND THE RELEASE AND AGREEMENTS PROVIDED FOR HEREIN VOLUNTARILY AND OF THE EXECUTIVE'S OWN FREE WILL.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

[INSERT NAME OF EMPLOYER]

By: ______________________________
[Insert name of Company representative]
Insert title of Company representative]

THE EXECUTIVE

____
[Insert name of Executive]

Dated:____________________________

Exhibit 31(a)

CERTIFICATION

I, Robert M. Bakish, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Paramount Global;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2023

/s/ Robert M. Bakish
Robert M. Bakish
President and Chief Executive Officer

Exhibit 31(b)

CERTIFICATION

I, Naveen Chopra, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Paramount Global;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2023

/s/ Naveen Chopra

Naveen Chopra
Executive Vice President, Chief Financial Officer

Exhibit 32(a)

Certification Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Paramount Global (the “Company”) on Form 10-Q for the period ended June 30, 2023 as filed with the Securities and Exchange Commission (the “Report”), I, Robert M. Bakish, President and Chief Executive Officer of the Company, certify that to my knowledge:

1. the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert M. Bakish
Robert M. Bakish

August 7, 2023

Exhibit 32(b)

Certification Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Paramount Global (the "Company") on Form 10-Q for the period ended June 30, 2023 as filed with the Securities and Exchange Commission (the "Report"), I, Naveen Chopra, Executive Vice President, Chief Financial Officer of the Company, certify that to my knowledge:

1. the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Naveen Chopra
Naveen Chopra

August 7, 2023