

## **Resolved**

Shareholders request the Board of Directors of Activision Blizzard, Inc., to oversee the preparation of an annual public report describing and quantifying the effectiveness and outcomes of Company efforts to prevent abuse, harassment and discrimination against protected classes of employees. The report should also disclose the Company's progress on relevant metrics and targets such as the:

- total number and aggregate dollar amount of disputes settled by the Company related to abuse, harassment or discrimination based on race, religion, sex, national origin, age, disability, genetic information, service member status, gender identity, or sexual orientation for the last three years; and
- Company's progress toward reducing the average length of time it takes to resolve abuse, harassment or discrimination complaints either through internal processes or litigation, and
- total number of pending abuse, harassment or discrimination complaints the Company is seeking to resolve through internal processes or litigation.

This report should not include the names of accusers or details of their settlements without their consent and should be prepared at a reasonable cost and omit any information that is proprietary, privileged, or violative of contractual obligations.

## **Supporting Statement**

At the last annual meeting of shareholders, a similar proposal received support from sixty-seven percent of shareholders. Yet, as of the date of this filing, the Company has not made the disclosures requested. For many shareholders, workforce management is an important factor in investment decision-making, including proxy voting.

An investigation of the Company by the California Department of Fair Employment and Housing (Department) resulted in ongoing litigation alleging discrimination, retaliation, and unequal pay. For years, there have been alarming news reports that detail allegedly rampant sexual abuse, discrimination, harassment, and retaliation directed toward female employees.

In September 2021, the Company and the Equal Employment Opportunity Commission entered into a consent decree that included the creation of an \$18 million fund to compensate individuals who experienced sexual harassment, discrimination and/or retaliation during their employment at the company.

Despite ongoing litigation, and employee dissatisfaction related to workforce management, the Company's 2021 ESG Report states "We believe the full power of our workforce can only be unleashed through a diverse, inclusive culture, and that an empowered workforce is part of what enables us to exceed players' and fans' expectations. Activision Blizzard is committed to building and sustaining a culture of belonging, in which our employees can succeed as their authentic selves..."

A report such as the one requested would assist shareholders in assessing whether the Company is improving its workforce management, whether its actions align with the Company's public statements and whether it is protecting long-term value. Civil rights violations within the workplace can result in substantial costs to companies, including fines, penalties, legal costs, costs related to absenteeism, reduced productivity, and difficulties recruiting and retaining employees. Reports and findings of

misconduct at the Company may also jeopardize its relationships with key customers, partners and consumers, putting the Company at further risk.