



December 17, 2021

Frances F. Townsend
Executive Vice President for Corporate Affairs and Corporate Secretary
Activision Blizzard, Inc.
3100 Ocean Park Boulevard
Santa Monica, CA 90405

Re: Shareholder proposal for 2022 annual meeting

Dear Ms. Townsend:

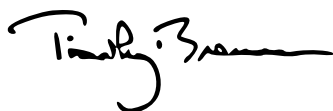
The Unitarian Universalist Association, a long-time shareowner of Activision Blizzard (the “Company”), is hereby submitting the enclosed resolution (the “Proposal”) pursuant to the Securities and Exchange Commission’s Rule 14a-8 to be included in the proxy statement of the Company for its 2022 annual meeting of shareholders. The resolution requests that the Company publicly disclose its EEO-1 data to allow shareholders and other stakeholders to evaluate performance against diversity commitments and initiatives.

The Unitarian Universalist Association (“UUA”) is a faith community of more than 1000 self-governing congregations that brings to the world a vision of religious freedom, tolerance and social justice. With roots in the Jewish and Christian traditions, Unitarianism and Universalism have been forces in American spirituality from the time of the first Pilgrim and Puritan settlers. The UUA is also an investor with assets (endowment and retirement plan) valued at approximately \$800 million. The UUA takes its responsibility as an investor and shareowner very seriously. We view the shareholder resolution process as an opportunity to bear witness to our values at the same time that we enhance the long-term value of our investments.

The UUA, through its Unitarian Universalist Common Endowment Fund, has been a shareholder continuously since and including January 4, 2020, holding at least \$2,000 in market value and will continue to hold at least the requisite number of shares for proxy resolutions through the annual shareholders’ meeting. Verification of this ownership will be sent under separate cover. The UUA intends to continue to hold such shares through the date of the Company’s 2022 annual meeting of shareholders.

The UUA would be available to meet to discuss this proposal on January 10, 2022 between noon and 2 PM Eastern time. If you have questions or wish to arrange another time for a meeting, please contact me at (617) 620-0574 or tbrennan@uua.org.

Very truly yours,



Timothy Brennan,
Special Advisor on Responsible Investing

Cc: Andrew McGeorge, Treasurer & CFO, UUA
Investor Relations: ir@activision.com

Enclosure: Shareholder resolution



WHEREAS:

As intangible assets increasingly drive corporate value creation, investors seek a better understanding of human capital management strategy and performance.

A lack of consistent disclosure of human capital practices and data makes it difficult for investors to evaluate corporate performance.

Disclosure of detailed workforce diversity data is one critical component of transparency regarding human capital management. Diverse and inclusive teams are associated with greater employee engagement, increased attraction and retention of talent, and a sense of purpose in the workforce.

Information about the effectiveness a company's diversity investments must be complete, comparable and consistent. Investors need annual disclosure of granular demographic data in order to know whether investments in diversity have paid off through changes in the numbers of people by race and gender at different levels of the company.

Activision Blizzard is required to furnish EEO-1 data – a comprehensive breakdown of its workforce by race, ethnicity and gender – to the United States government and is therefore in a position to provide a more complete picture of its workforce without additional burdens on the company to collect data. Such disclosure would provide a platform for the company to describe the connection between human capital management and corporate strategy and facilitate informed engagement with investors.

Annual EEO-1 disclosure enables an evaluation of the company's strengths and opportunities for improvement and performance trend, and facilitates comparison across firms. As of October 2021, at least 80 large cap companies have committed to publishing this document, including several peer companies with whom Charter Communications competes for talent.

Yet, Activision does not provide this fundamental information to shareholders. The company provides limited diversity disclosure that is considerably less detailed than the EEO-1 report and does not allow for an informed analysis of equal opportunity at the company.

RESOLVED: Shareholders request that the Board of Directors adopt a policy requiring Activision Blizzard to disclose on its website the annual Consolidated EEO-1 Report that it is required to submit annually to the U.S Equal Employment Opportunity Commission (EEOC).

SUPPORTING STATEMENT:

Rising expectations of employees and other stakeholders that companies will make a meaningful commitment to racial equity in the workplace have strengthened the longstanding case for prioritizing diversity in the workplace. In particular, companies that signal their commitment to racial diversity through workforce transparency may be better positioned to attract and retain talent.

Underscoring the link between diversity and inclusion and human capital management, research from The Conference Boards' *DNA of Engagement* initiative argues that the synergy between employee

engagement and inclusion is a key component of overall employee productivity and Deloitte highlights diversity as an important element in building and sustaining a strong sense of corporate purpose.¹²

A May 2020 report from McKinsey *Diversity Wins: How Inclusion Matters* found “that companies in the top quartile for gender diversity on executive teams were 25 percent more likely to have above-average profitability than companies in the fourth quartile.”

¹ <https://conference-board.org/research/dna-of-engagement/executive-summary-how-organizations-can-align-engagement-inclusion>

² <https://corpgov.law.harvard.edu/2020/09/16/the-workforce-takes-center-stage-the-boards-evolving-role/>