



**BE IT RESOLVED:** Shareholders request that Activision Blizzard, Inc. report to shareholders on the outcomes of the Company's diversity, equity, and inclusion efforts by publishing quantitative data on workforce composition, and recruitment, retention, and promotion rates of employees by gender, race, and ethnicity. The reporting should be done at reasonable expense and exclude proprietary information.

**SUPPORTING STATEMENT:** Quantitative data is sought so that investors can assess, understand, and compare the effectiveness of companies' diversity, equity, and inclusion programs and apply this analysis to investors' portfolio management and securities' selection process.

**WHEREAS:** Numerous studies by respected organizations such as *The Wall Street Journal*, Credit Suisse, Morgan Stanley, McKinsey, PwC and BCG have pointed to the material benefits of a diverse workforce.

Companies should look to hire the best talent. However, Black and Latino applicants face recruitment challenges. Results of a meta-analysis study of 24 field experiments, dating back to 1990, found that, with identical resumes, White applicants receive an average of [36 percent more callbacks](#) than Black applicants and 24 percent more callbacks than Latino applicants."

Promotion rates show how well diverse talent is nurtured at a company. Unfortunately, women and non-White employees experience "a broken rung" in their careers. For every 100 men who are promoted, only 86 women are promoted. [Non-White women are particularly impacted](#), comprising 17 percent of the entry-level workforce and only 4 percent of executives.

[Morgan Stanley has found](#) that: "Employee retention that is above industry peer averages can indicate the presence of competitive advantage. This advantage may lead to higher levels of future profitability than past financial performance would indicate." Companies with [high employee satisfaction](#) have also been linked to annualized outperformance of over two percent.

Activision Blizzard has faced serious allegations of sexual harassment, pregnancy discrimination and retaliation, creating substantial turmoil at the company. At least [20 employees have been terminated](#) for harassment and discrimination issues. Activision Blizzard has [settled an \\$18 million discrimination case](#) with the Equal Employment Opportunity Commission. As of December, 2021, it continued to face legal action by California's Department of Fair Employment and Housing. [Thousands of employees](#) have



signed letters, and many have participated in work stoppages, as they advocate for changed practices at the company.

Activision Blizzard needs to provide clear, quantitative data on workforce composition, promotion, and retention rates so that investors are able to compare its diversity programs to those of its peers and to have confidence that the company's programs and policies are being well implemented.

Activision Blizzard has not committed to release standardized workforce composition data through its consolidated EEO-1 form, which is best practice in diversity data reporting, nor has it shared sufficient recruitment, retention, and promotion data to allow investors to determine the effectiveness of its human capital management programs.