2022

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT

ACTIVISION. BLIZZARD King

CONTENTS

A LETTER FROM
BRIAN BULATAO

LEVELING UP FOR A BETTER WORLD

Over the last year across Activision Blizzard, we stepped up our environmental, social, and governance (ESG) efforts. We take the responsibility of connecting and engaging with hundreds of millions of people through epic entertainment seriously. Gaming is a cultural force, and for that force to reach as far as possible, we must attract and retain a highly talented and diverse workforce and build a welcoming and inclusive workplace.

Our ESG priorities help us do exactly that.

As I learned in my years of public service, big goals – like the ones you'll read about in this report – depend on attention to the details, and a culture built atop mutual respect and belonging. Whether creating the next great gaming title or accelerating a diverse and inclusive workplace, our philosophy is that progress is rooted in effort.

We are deeply proud of the progress we've made on our 2022 ESG initiatives, and we are committed to continuous improvement in each of our key pillars:

Championing Our People: Our goal is to create epic entertainment that reaches a variety of people, and we know that depends on epic talent from a variety of backgrounds. In 2022, we made progress toward our 2021 commitments to increase representation of women and non-binary employees by 50% over five years, further invest in vital employee benefit programs, and increase resources for training and compliance. As part of our 2021 $250 million decade-long commitment to accelerate opportunities for diverse talent, we launched Level Up U to prepare non-industry professionals to become full-time game developers.

Advancing Diverse and Inclusive Communities: We see diversity and inclusion as foundational to our games, policies, and workforce. In 2022, we hired our first dedicated Chief Diversity, Equity, and Inclusion Officer and appointed our first head of Inclusive Game Design (IGD) to ensure a world-class standard for game inclusion and accessibility. IGD is focused on ensuring the widest possible audience can enjoy our games, with characters and narratives that are diverse and welcoming, while promoting positive gaming community interactions. We've also partnered with Reboot Representation to help increase the number of Black, Latina, and Native American women in technology.

Protecting the Planet: We believe in improving the health of the world around us, which is why, in 2021, we committed to an operational roadmap for net zero greenhouse gas emissions by 2050 (including Scope 3). In 2022, we built on this announcement by identifying proactive decarbonization initiatives and making significant progress on the use of renewable energy.

In 2023 and beyond, we will continue to advocate for our people, invest in building diverse communities, and prioritize sustainable business practices. We're excited about the progress we've made, and we are grateful for the many people of Activision Blizzard that have made the successes outlined in this report possible.

With gratitude,

Brian Bulatao
Chief Administrative Officer
Chair, ESG Steering Committee

Connecting Diversity, Equity, and Inclusion (DE&I) Across Everything We Do

We believe that our employees and players around the world deserve to be seen, heard, and feel valued. To help advance that goal, we announced the addition of Kristen Hines as Activision Blizzard's first Chief Diversity, Equity, and Inclusion Officer in April 2022. She has helped us continue to prioritize our commitment to DE&I, reframe how we think about DE&I, and embed DE&I in everything we do as an organization. To provide more transparency on our progress, we recently published our 2022 DE&I Look-Back which outlines the DE&I purpose, wins, and plans for the future.

DE&I is a business-wide priority, and we will continue to learn and grow as we move forward. In 2022, we set the necessary groundwork and made meaningful progress toward our ambitious goals. And we know there is always more work to be done. As we look ahead, we'll continue to evolve our work to positively impact employees' lived experiences across every part of Activision, Blizzard, and King.

KRISTEN HINES
(she/her)
Chief Diversity, Equity, and Inclusion Officer - Activision Blizzard

"I'm excited to be part of a company that is committed to DE&I and making progress on its ambitious goals. In an industry with historical underrepresentation, I'm looking forward to leading the Company's efforts to build a workplace that values transparency, equity, and inclusivity. Gaming connects communities around the world and showcases heroes from all backgrounds. I value playing a part in expanding the landscape of talent that creates these compelling experiences and brings them to a broad base of players."

ABOUT US

At Activision Blizzard, our mission is to connect and engage the world through epic entertainment. Our games are designed to be fun, to foster purpose and accomplishment through healthy competition, and to represent our players and their communities around the world. We are focused on leveling up our business, our culture, our games, and our impact.[1]

Our Players and Community:

We have nearly 400 million monthly active players globally.

Our People

Our approximately 13,000 employees share a passion for gaming and embody the spirit of our communities. Our employees' dedication and teamwork create an extraordinary workplace that fosters the magic in our games.

Diversity and Inclusion

We aim for Activision Blizzard to set the standard in our industry for a diverse, inclusive, and welcoming workplace, and we have a workforce that reflects the diversity of our millions of global players.

2022 Performance

For the fiscal year ending December 31, 2022, Activision Blizzard delivered full-year generally accepted accounting principles (GAAP) net revenue of $7.53 billion, GAAP earnings per diluted share of $1.92, net bookings of $8.51 billion, and in-game net bookings[2] of $5.38 billion. Although certain full-year financial metrics declined versus a strong prior year, we ended 2022 with record net bookings in the fourth quarter as we expanded key intellectual properties across platforms, geographies, and business models. Our robust product pipeline, live game opportunity, and ongoing focus

on operational discipline provide a foundation for strong financial performance in 2023 and beyond.

Talent is the lifeblood of our business. We are fortunate to have what we believe is one of the most talented workforces in our industry. Growing our developer base remains one of our strategic priorities. We added hundreds of talented professionals in 2022, growing our game development teams by 25% year-over-year.

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[1] Our enduring franchises are among the world's most popular. More information about Activision Blizzard, our financial performance, and our products can be found on our website and in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2022.

[2] Net bookings is an operating metric that is defined as the net amount of products and services sold digitally or sold-in physically in the period, and includes license fees, merchandise, and publisher incentives, among others, and is equal to net revenues excluding the impact from deferrals.

2022 AWARDS

LA TIMES CFO LEADERSHIP AWARDS

- Armin Zerza (Chief Financial Officer)

VARIETY 500

- Johanna Faries (General Manager, Call of Duty)

PROFILES IN DIVERSITY JOURNAL "ASIAN LEADERS WORTH WATCHING" WINNER

- Walter Kong (General Manager, Overwatch)

PROFILES IN DIVERSITY JOURNAL "WOMEN WORTH WATCHING"

- Johanna Faries (General Manager, Call of Duty)

PR NEWS PLATINUM AWARD - NONPROFIT CAMPAIGNS

- Call of Duty Endowment

THE GATHERING AWARD, HONOREE BRAND

- Call of Duty

NEWSWEEK MOST LOVED WORKPLACES U.K.

- King

ENGAGE FOR GOOD HALO AWARD

- Call of Duty Endowment

OUR COMMITMENTS & PROGRESS

CHAMPIONING OUR PEOPLE

2021 Commitments

- Increase the combined percentage of women and non-binary employees by 50% over five years
- Invest $250 million over ten years in initiatives that accelerate opportunities for diverse talent within gaming and technology
- Launch Level Up U to provide educational opportunities and source diverse talent for game developer roles
- Advance our zero tolerance practice regarding certain types of workplace conduct
- Continue to increase visibility on pay equity
- Continue to increase investment in our people

2022 Progress

- Achieved an increase in the combined percentage of women and non-binary employees across the Company and within each business unit. As of November 30, 2022, approximately 26% of our global employee population self-reported as women or non-binary people, up from approximately 24% as of November 30, 2021
- Launched Level Up U, a three-month training program for engineers starting out in the gaming industry. More than 100 engineers were placed in roles across Activision Blizzard upon program completion last year
- Significantly expanded our Ethics and Compliance resources
- Shared the results of our 2021 pay equity review and 2021 pay gap analysis, after sharing our 2020 pay equity review results in 2021. The results of our latest pay equity review and pay gap analysis are shared later in this report
- Designed and launched initial phase of Manager Foundations, our first enterprise-wide manager development program
- In our ABK Upward survey for 2022, 90% of eligible managers received a personalized feedback report, and we saw positive ratings increases across the Company and within each business unit in our engagement surveys, compared to the prior year

2023 Future Commitments

- Shift to quarterly performance check-ins, recognizing that regular feedback is important for sustained success and ensuring our continued commitment to excellence
- Publish employee promotion rates by gender globally and by race and ethnicity in the U.S., in our next ESG report
- Activate next phase of our Manager Foundations program
- Enhance our digital learning platform through redesigned and refined content, including an improved onboarding program
- Increase global coverage of Employee Relations support

ADVANCING DIVERSE AND INCLUSIVE COMMUNITIES

2021 Commitments

- Hire our first dedicated Chief Diversity, Equity, and Inclusion Officer

- Develop and roll out Diversity, Equity, and Inclusion Mission Statement and Purpose[3]

- Ensure ABK Gives Back supports the efforts of our Employee Network Groups (ENGs)

2022 Progress

- Hired our first Chief Diversity, Equity, and Inclusion Officer

- Developed a DE&I mission statement and purpose

- Appointed our first dedicated Head of Inclusive Game Design

- Developed a consistent approach to embed inclusive game design into content pipeline reviews

- Connected ABK Gives Back and our ENGs

- Partnered with external organizations focused on representation and accessibility to bring resources and learning opportunities to our game developers

- Continued to invest in systems that encourage positive behavior and discourage disruptive play in our games

2023 Future Commitments

- Launch a yearly DE&I update to highlight the program's efforts across the company

- Launch local studio Ambassador program to increase opportunities for innovation, prioritization, dignity, and recognition of DE&I work in our game teams and our gaming experiences

- At Activision Publishing, pilot a process to formally incorporate inclusive game design as a defined and expected component in high-level game approval processes

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[3] In our 2021 ESG Report, we had a commitment to develop a DE&I 'Credo.' As our DE&I work evolved in 2022, it became clear that a mission statement and purpose would be more appropriate to the Company's needs.

PROTECTING THE PLANET

2021 Commitments

- Develop and implement a comprehensive roadmap to achieve net zero carbon emissions by 2050, consistent with the Science Based Targets Initiative (SBTi)

- Create a detailed operating plan to reduce carbon intensity, water usage, and waste

- Launch annual company-wide employee Earth Day events to promote environmental sustainability practices across the Company

2022 Progress

- Disclosed our Scope 1, 2, and 3 greenhouse gas (GHG) emissions

- Developed a Decarbonization Roadmap to achieve net zero carbon emissions by 2050, consistent with SBTi

- Created a detailed operating plan to reduce carbon intensity, water usage, and waste

- Submitted our inaugural CDP climate survey response

- Incorporated climate-related risks into company's annual enterprise risk assessment

- Stated our commitment to obtain high-quality emissions, water usage, and waste data to our landlords, data center owners, and public cloud providers

- Continued to prioritize environmental efficiencies when selecting data centers globally

- Reached 70% reductions in plastic packaging through ongoing digital product transition (compared to a 2019 baseline) and surpassed our original goal of a 50% reduction by 2024

- Launched annual company-wide employee Earth Day events to promote environmental sustainability practices across the organization

2023 Future Commitments

- Begin to address carbon emissions generated through our workplaces, performance marketing activities, travel practices, game development, and public cloud utilization

- Start SBTi submission for our near-term carbon reduction and long-term net zero targets

- Expand employee education on environmentally sustainable business practices

CHAMPIONING
OUR PEOPLE

BUILDING A
THRIVING CULTURE

Activision Blizzard is committed to ensuring a welcoming, inclusive, and diverse workplace. Our continued success depends on our ability to attract, develop, and retain diverse and exceptional talent. As we introduce new initiatives to maintain a model working environment, we enhance our Company culture, foster inclusivity, and further commit ourselves to excellence.

AIDA FIGUEROLA
(she/her)
Senior Engagement Manager
- King

"I feel championed at our Company because I feel my work matters every day, not only for what I do, but on how I do it. And I see that my colleagues appreciate that as well. Whenever I have an event in mind or an initiative in mind, I can always find someone that will support the idea and we will make it happen, together."

Overview of Employee Statistics
(As of December 31, 2022)

~13,000 full-time and part-time non-temporary employees
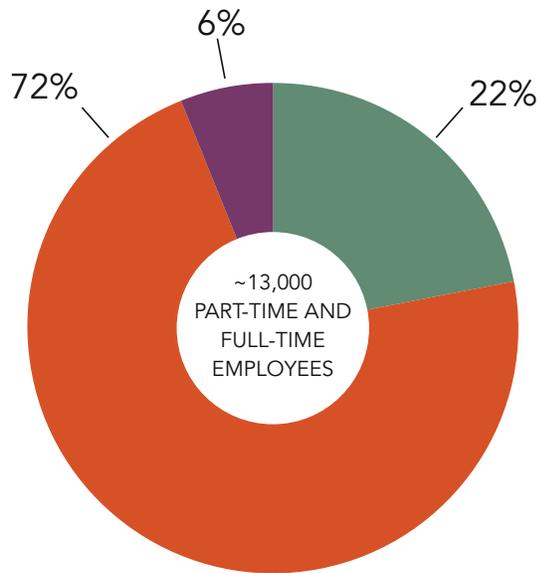
Employee locations:
- Approximately 72% in North America
- Approximately 22% in the Europe, Middle East, and Africa (EMEA) region
- Approximately 6% in the Asia Pacific region

Download our latest EEO-1 report

EMPLOYEE LOCATIONS, 2022

72%

6%

22%

~13,000 PART-TIME AND FULL-TIME EMPLOYEES

■ NORTH AMERICA
■ EUROPE, MIDDLE EAST, AFRICA (EMEA) REGION
■ ASIA PACFIC REGION

JOINING
THE TEAM

Level Up U

In 2021, we committed to investing $250 million over ten years to accelerate employment opportunities for diverse talent in the gaming industry. In April 2022, we took an important step in making good on that commitment and invested approximately $19 million to launch Level Up U. Level Up U is a groundbreaking, scalable, immersive talent training program that creates opportunities for developers.

Through Level Up U, we aim to remove barriers to employment and introduce new talent to Activision Blizzard, while also reshaping the industry's talent pool. Level Up U serves as a low-risk entry point for engineers from all backgrounds looking to begin a new career path. Participants are paid as full-time engineers during the program's duration, and regardless of background or experience, the program can help them obtain their first job, opening up opportunities for them in game studios around the world.

To design and lead the program, we hired Tad Leckman as Director of Learning and Development, and Dean of Level Up U. Tad brings more than 20 years of experience creating learning and development content for artists, designers, writers, and engineers. He's held senior roles in the gaming industry as well as several university professorships.

Level Up U was successful beyond our expectations. After completing a rigorous online assessment of their programming and problem-solving skills, more than 100 engineer applicants were hired into the Level Up U class. The selected applicants came from a broad range of backgrounds, including finance, defense, tech, and military fields. The cohort was also deeply diverse, including:

- **45%** of participants who self-reported as either a woman or non-binary person
- **40%** of participants who self-reported as Hispanic or Latinx, Black or African American, Native Hawaiian or Pacific Islander, Asian, Native American or Alaska Native, or more than one of these identities
- **10%** of participants who self-reported as Veterans

The program ran from July to October 2022 and consisted of 12 weeks of focused training. During that time, Level Up U participants received comprehensive insight into game development, including an overview of the design process, specialized hands-on programming, and game engine training.

The engineers also gained exposure to other aspects of game development including art, design, and product elements, as well as a curriculum on teamwork and interpersonal skills. Developers from across Activision Blizzard helped shape the curriculum, provided feedback for hands-on work, shared insights into their own career paths, and met one-on-one with participants to provide individual coaching.

Following their graduation from the program in October 2022, over 100 Level Up U engineers were placed in a broad range of full-time engineering roles, including those focused on gameplay, tools, automation, user interface, and AI.

We are proud of Level Up U's success. With time, we hope to see others in the gaming industry adopt similar programs, particularly as we share our best practices and support industry-wide efforts.

Manager Development Program

In 2022, we built a manager training program to foster a common language and foundational skills for Company managers. The program was designed to work across all business units and serve as a starting point for comprehensive manager development. The program focused on the "why" of being a manager and inspires those holding this role to lead their teams to innovation and success.

We centered the program on three pillars: establishing trust, leading the way, and growth through conversations. We listened to the specific, local needs of our managers in each business unit, and we built a global curriculum focused on the behavior we wanted in our future managers.

This program will be introduced globally across the Company in 2023.

Workforce Representation Data[4]

In our [2022 DE&I Look-Back](#), we published updated representation, hiring, and retention data. Over the last year, we've evolved our classifications of race, ethnicity, and gender, and we've ch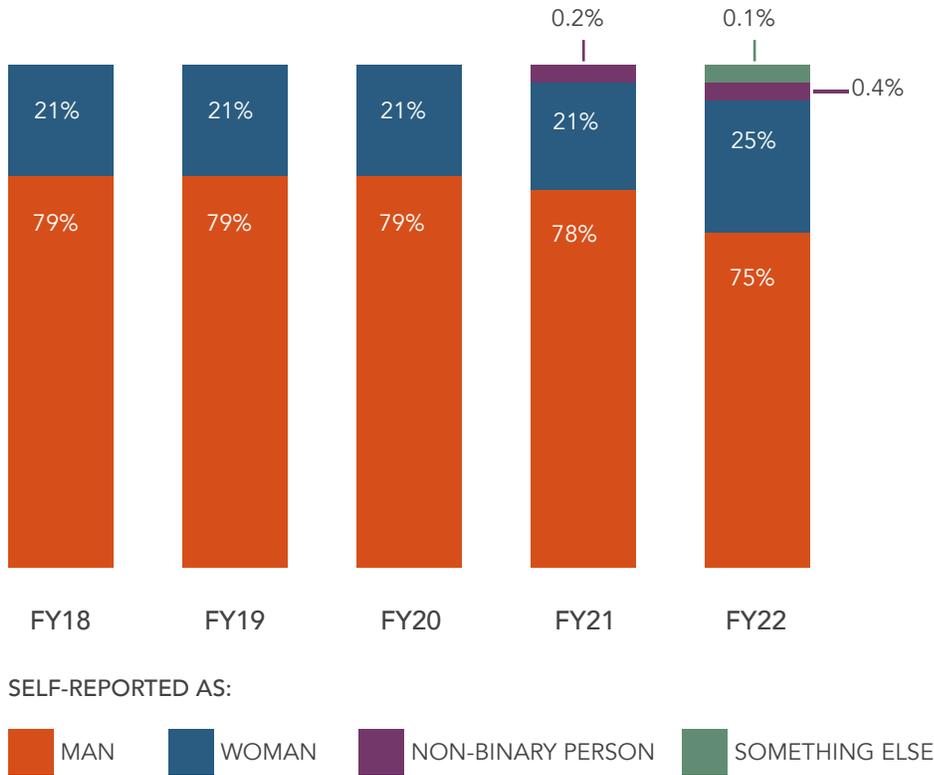anged how we report our data. Overall, retention improved for the Company in 2022, and we achieved a 13% voluntary turnover rate, compared to 17% in 2021.

2022 GENDER REPRESENTATION
% of Regular Employees[a,b,j]

73% · 1% · <1% · 25%

2022 RECRUITMENT BY GENDER
% of Hires[a,c,j]

68% · 2% · <1% · 29%

2022 RETENTION BY GENDER
% of Voluntary Turnover[a,d,j]

72% · <1% · <1% · 27%

SELF-REPORTED AS:
- WOMAN
- MAN
- NON-BINARY PERSON
- SOMETHING ELSE

2022 RACE AND ETHNICITY REPRESENTATION (US)
% of Regular Employees[e,f]

9% · 6% · <1% · 19% · <1% · 4% · 61%

2022 RECRUITMENT BY RACE AND ETHNICITY (US)
% of Hires[e,g]

11% · 8% · <1% · 18% · <1% · 6% · 56%

2022 RETENTION BY RACE AND ETHNICITY (US)
% of Voluntary Turnover[e,n]

7% · 8% · <1% · 23% · <1% · 3% · 58%

SELF-REPORTED AS:
- HISPANIC OR LATINX
- WHITE
- BLACK OR AFRICAN AMERICAN
- NATIVE HAWAIIAN OR PACIFIC ISLANDER
- ASIAN
- NATIVE AMERICAN OR ALASKAN NATIVE
- TWO OR MORE RACES

In addition, to the representation pie charts above, 3% of our employees self-identified as Veterans[k].

[4] The data included in this presentation represent our best estimates based on data included in our systems. All 2022 data was pulled on 3/14/2023. All prior year data was pulled on 4/11/2023 and reflects data as of 12/31 of that year. 2021 data may not align to previous reports as we have extended the data through 12/31 and evolved our methodology as outlined below. [a] Our gender data is global, where permissible by local law, and represents employees' self-selection between fields of "female," "male," "non-binary," "other," and "I do not wish to disclose." In calculating gender representation, we consider the percentage of known employees (i.e., excluding those who have selected "I do not wish to disclose," or have not identified in any way). Category language is changed in the visual data with "female" displayed as "woman," "male" displayed as "man," and "other" displayed as "something else." [b] Gender representation data reflects regular, non-temporary employees with employee contract type "regular," that were employed as of 12/31 of the respective year. [c] Recruitment data by gender reflects regular, non-temporary employees that joined ABK at any point in time in 2022 with employee contract type "regular." [d] Retention data by gender reflects regular, non-temporary employees with employee contract type "regular" and a "termination reason" of "voluntary" in 2022. [e] Our race and ethnicity data is limited to the U.S. and, like our gender data, represents employees' self-selection. In this case, the fields from which employees select include "White," "two or more races," "Hispanic or Latino," "American Indian or Alaska Native," "Black or African American," "Asian," "Native Hawaiian or Other Pacific Islander," and "prefer not to say." Again, in calculating ethnicity representation, we consider the percentage of known employees (i.e., excluding those who have selected "prefer not to say" or have not identified in any way). Category language is changed in the visual data with "Hispanic or Latino" displayed as "Hispanic or Latinx," "Native Hawaiian or Other Pacific Islander" displayed as "Native Hawaiian or Pacific Islander," and "American Indian or Alaska Native" displayed as "Native American or Alaska Native." [f] Race and ethnicity representation data reflects regular, non-temporary employees with employee contract type "regular" and a "work location" in the U.S. that were employed as of 12/31/2022. [g] Recruitment data by race and ethnicity reflects regular, non-temporary employees that joined ABK at any point in time in 2022 with employee contract type "regular" and a "work location" in the U.S. [h] Retention data by race and ethnicity data reflects regular, non-temporary employees with employee contract type "regular" and a "work location" in the U.S. with a "termination reason" of "voluntary" in 2022. [i] People Leaders reflects regular, non-temporary employees with employee contract type "regular," that were employed as of 12/31 of the respective year and have at least one employee reporting to them. [j] We began tracking the category of "non-binary" beginning in 2021. 2022 was the first year we included the category of "something else" in published data. [k] Our Veteran data is limited to the U.S. and, like our gender data, represents employees' self-selection. In this case, the fields from which employees select include "Veteran," "not a Veteran" and "prefer not to say." Again, in calculating Veteran representation, we consider the percentage of known employees (i.e., excluding those who have selected "prefer not to say" or have not identified in any way).

Gender Diversity[a,b,j] of People Leaders[i] Since 2018

	FY18	FY19	FY20	FY21	FY22
Woman	21%	21%	21%	21%	25%
Man	79%	79%	79%	78%	75%

FY21: 0.2% (Non-binary person)
FY22: 0.1% (Something else), 0.4% (Non-binary person)

SELF-REPORTED AS:

■ MAN   ■ WOMAN   ■ NON-BINARY PERSON   ■ SOMETHING ELSE

Growth of Women Game Development Leaders

The Company saw an increase in the combined representation of women and non-binary employees last year. When you specifically look at women in game development leadership roles, the number has **more than quadrupled** since 2016. We saw the most progress between **2021 and 2022,** when the percentage of women in game development leadership roles **increased by 58%.**
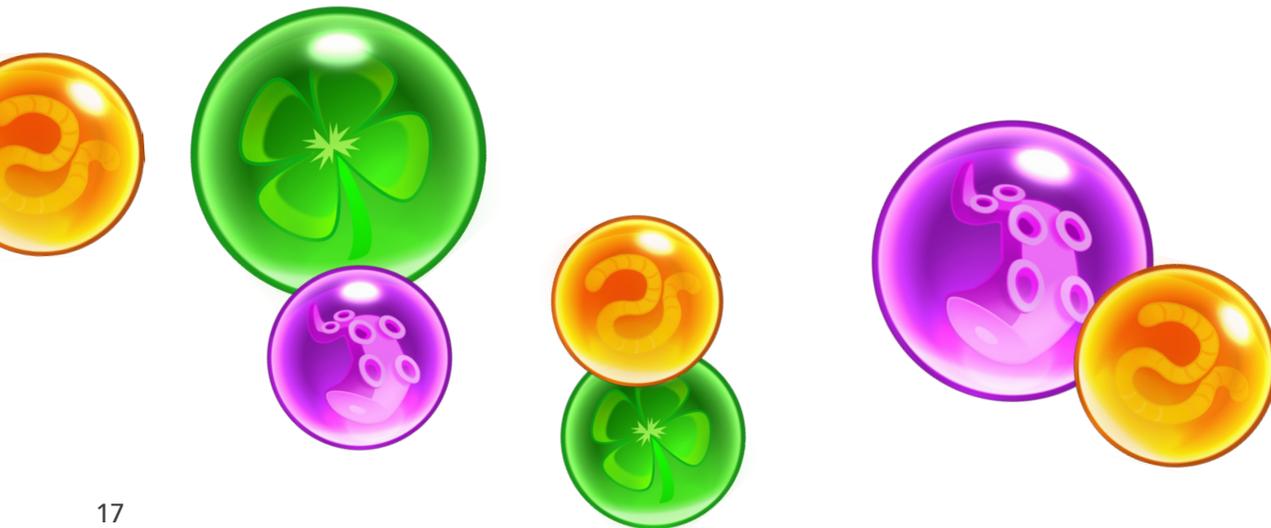
DE&I WINS

Over the past year, we've reframed how we think about DE&I. Our DE&I vision is to be a place where our employees and players see themselves reflected in the Company and in our games, know that their voices matter, and feel like they belong.

We invest in our people, our business, and our community to achieve these goals. To lead these efforts, we've added world-class talent to our already capable DE&I team, and we've embedded strategic DE&I leaders within each of our business units.

In April of 2022, we announced the addition of Kristen Hines as our new Chief Diversity, Equity, and Inclusion Officer. Kristen joined our senior leadership team with over two decades of experience across a variety of clients and industries globally. She most recently led Accenture's Global Inclusion, Diversity and Equity practice and sat on the firm's CEO Transformation practice global leadership team.

JESSICA TAYLOR
(she/her)
Senior Physical Archivist
& Librarian
- Blizzard®

"My favorite part about Blizzard's culture is the passion that people have. People are here because they want to be. People love what they do [here]. And I've never been around so many people who are passionate about what they do. No matter what their job is, they're part of this bigger thing that creates joy and happiness."

OUR EMPLOYEE
NETWORK GROUPS

Our global Employee Network Groups (ENGs) sit at the heart of our organization and provide safe spaces for connection, growth, learning, and leadership. They also create opportunities for cultural awareness, professional development, networking, community involvement, and player connections. In 2022, we refreshed our ENGs' network governance and operating model to improve efficiency and increase participation and membership across the Company. We now have over 4,000 members across our ENGs. We encourage participation and continue to expand opportunities for involvement, including through the creation of new ENGs and by inviting existing groups to evolve or rebrand to best reflect their identities. The hard work of many employees who have joined, or otherwise engaged with, one of our ten employee network groups is an important force behind our Company's DE&I progress. Our networks foster a sense of belonging and provide a space for employees to engage, educate, and show up to work as their authentic selves.

BRIANA LEBEL
(she/her)
Global Talent
Brand Manager
- Activision Blizzard

"Being part of an employee business resource group has always been something that's important to me in my career. So when I joined [Activision Blizzard], I immediately saw which networks were available and joined the women's group, which was important to me as somebody who was a woman in gaming for the first time. I'm hopeful that someday I can be one of the voices that helps improve or helps [address] the challenges that some women still face in gaming and serve as a voice for women in gaming."

Our Employee Network Groups[5]

- ABK Asian Pacific Islander Employee Network
- ABK Black Employee Network
- ABK Differing Abilities Employee Network
- ABK SOMOS (Formerly LatinX) Employee Network
- ABK LGBT+ Employee Network

- ABK SWANA Employee Network
- ABK Veterans Employee Network
- ABK Women's Employee Network
- ABK Indigenous and Aboriginal Employee Network
- ABK Multicultural Employee Network

Our ENGs positively influence the Company. They make our games, and business, more purposefully inclusive and accessible. In 2022, our ENGs had opportunities to:

- Participate in our Together@ABK mentorship program across all employee networks, which launched globally this year
- Support diversity hiring fairs held for college students as part of our Company's dedicated diversity sourcing efforts
- Lead the celebration of events across the global diversity calendar by hosting community events, speakers, and learning opportunities
- Continue to provide game development insights and feedback that help us create more inclusive representation, character depictions, and in-game experiences (including emblems, character skins[6], and cultural pieces);
  - As just one example, the Diablo® IV team held a cross-ENG session to gather feedback on a new character creation feature, resulting in a more inclusive set of options for players when designing their character
- Hold events that celebrate inclusivity, increase understanding, and build cultural knowledge
- Support the hiring of more Veterans into our Company by helping Hiring Our Heroes Corporate Fellows

[5] Employee network groups are current as of April 2023.
[6] A "character skin" is an in-game item players can acquire that changes the appearance of their video game character.

BUILDING OUR
DIVERSE TEAM

We worked hard over the last year to cultivate a broad, diverse talent pipeline and support an objective, equitable hiring process. As part of these efforts, we invested in internal initiatives and external organizations that seek to empower and advance diverse talent. We also focused on embedding DE&I values and practices into every level of the Company and throughout the employee lifecycle.

DANIELLE BURKARD
(she/her)
Recruitment Marketing Manager
- Activision Blizzard

"I am a remote employee and remember my first day turning on my laptop and talking to people and hearing how friendly they were. That was welcoming, especially in a remote environment in which we communicate over Slack. I could see the different communities that we have on there, like the Women's Network and API Network. It was powerful to know that even though I was remote, there was a plethora of information and support systems."

Creating a More Diverse Pipeline of Applicants

Our overall goal in hiring is to provide an objective and equitable process that helps us to recruit the very best creative and technical talent in the world. To meet that goal, we have identified an array of resources to promote and sustain diversity throughout our workforce. In 2022, we made updates to our recruiting process aimed at broadening the applicant pool for our job postings. Specifically, we implemented Textio, a writing tool that helps ensure job descriptions are inclusive and gender neutral. We also added language to each of our job postings, encouraging people to apply for a position, even if they are uncertain whether they meet all the listed requirements.

We were excited to launch a candidate engagement program that allows job applicants to identify which of our ENGs they may be interested in, and then connects them with a volunteer member of that ENG. The volunteer member is then encouraged to share with the candidate their experiences working at the Company. This program aims to help inform the candidate's decision-making and foster feelings of belonging before a candidate is hired.

To further diversify our pipeline of candidates, we revamped our Diversity Sourcing Council to educate recruiters and support diversity sourcing techniques and projects across Activision Blizzard. We also hosted Diversity Sourcing Jams[7] across 19 different disciplines to assist the Company's understaffed areas in recruiting diverse candidates for their open roles.

We are proud of our talent initiatives and partnerships and our progress on our 2021 commitments.

$250 Million Commitment to Accelerate Opportunities for Diverse Talent

As part of our commitment to invest $250 million over ten years in initiatives that accelerate opportunities in gaming and technology for diverse talent, we invested approximately $19 million to launch Level Up U in 2022. Level Up U is a three-month training program for engineers starting out in the gaming industry. Within our class of over 100 Level Up U engineers, women and non-binary people made up 45% of the class, and the overall diversity of the class was 73%. We have also partnered with Reboot Representation to help increase the number of Black, Latina, and Native American women in technology through combined philanthropic efforts with 26 other companies.

Increasing the Combined Percentage of Women and Non-Binary Employees by 50% Over Five Years

Over the last year, we made meaningful progress toward our 2021 goal to increase the combined percentage of women and non-binary employees in our workforce by 50% over five years and we believe our continued investment in our DE&I programs will further enable us to meet this goal. As of November 30, 2022, approximately 26% of our global employee population self-reported as women or non-binary people, up from approximately 24% as of November 30, 2021.

Additionally, all of our business units saw an increase in the combined representation of women and non-binary employees as of November 30, 2022, compared to November 30, 2021, achieving Company records, including:

- Activision Blizzard corporate functions achieved 48% representation in 2022, up from to 47%
- King achieved 35% representation in 2022, up from 34%
- Blizzard achieved 25% representation in 2022, up from 22%
- Activision Publishing achieved 20% representation in 2022, up from 17%

[7] DE&I Sourcing Jam is a strategic initiative aimed at enhancing DE&I within the company. Through this initiative, we seek to make a tangible impact by sourcing candidates from underrepresented groups and directing them towards critical talent pipelines. Our objective is to source highly skilled and proficient professionals from marginalized communities, thereby bolstering the representation of diverse talent within the Company's workforce. Recruiters, Sourcers, Hiring Managers and Talent Acquisition Leadership attend the jams.

Talent Initiatives and Partnerships

MBA Rotational Program

Each year, our MBA rotational program provides 10-15 MBA graduates the opportunity to rotate through three, eight-month positions across the Company. Of the MBA graduates who participated since 2018, 49 have been hired from the two-year rotational program at the Company, with 31% of these graduates being women. In 2022, 40% of the 2022 MBA Rotational cohort were women.

Activision Blizzard Early Careers Internship

In 2022, we hosted summer internships for 338 undergraduate and graduate student interns (pictured below) across the Company. Early Careers interns are included on our teams, and they contribute to real-world projects and games, while participating in a wide-range of company events such as network gatherings and an educational speakers series. Our aim is for interns to build a sense of community, broaden their career possibilities, and further strengthen their connections to our games, leaders, and each other.

ABK Aspiring Women in Games Scholarship

The ABK Aspiring Women in Games Scholarship (formerly the GDC Scholarship) was founded by our King division in Europe in 2016, and expanded to our U.S. operations in 2020. The program provides women interested in the gaming industry with an opportunity to attend the annual Game Developers Conference (GDC) for free, where they can network with industry experts from Activision Publishing, Blizzard Entertainment, and King. Women, non-binary people and those who are gender fluid are encouraged to apply.

In 2022, we awarded 15 ABK Aspiring Women in Games Scholarships and subsidized virtual GDC conference passes, iPad Pros, and Coursera subscriptions for scholarship winners.

Profiles of the 2022 ABK Aspiring Women in Games Scholarship winners can be found here: 2022 Aspiring Women in Games Scholarship Recipients.

STEM Advantage Partnership

Each year, Activision Blizzard's Early Careers Team seeks out mentors to connect with STEM Advantage[8] Fellows for a 12-month program. STEM Advantage Fellows and mentors meet virtually on a monthly basis. In 2022, 13 Activision Blizzard employees served as STEM Advantage mentors.

Hiring Our Heroes Corporate Fellows

Hiring Our Heroes is a U.S. non-profit whose mission is to connect Veterans, transitioning service members, and military spouses with meaningful employment opportunities. This program allows Activision Blizzard to gain access to a strong recruiting pipeline of military talent, and it bolsters our existing DE&I programs.

We hosted 27 Hiring our Heroes Fellows in 2022, for a total of 32 Veterans since the program's inception in 2021. Twenty-two of these Fellows were hired by our Company.

JUSTIN WILLIAMS
(he/him)
Sr. Technical Recruiter
- Blizzard

"We give them [Veterans] opportunity, even though they may get shut out from other opportunities because they don't have video gaming experience coming from the military world. Our military [hiring] team has been great here. We do consultations. We do seminars to help our Veterans, who especially love Call of Duty. It's been a major smash hit for our Company, but it's also been a major smash hit for our military Veterans. And I love that."

2022 Veteran-Specific Hiring Initiatives:

- Exceeded our 2021 Veteran Hiring goal of 3%, with a 2022 rate of 4.6%
- Hosted 27 Fellows through our partnership with Hiring Our Heroes' Corporate Fellowship Program
- Established the Human Resources/Talent Acquisition Leadership Rotational Manager Program for Veterans
- Required recruiters and applicable hiring managers to complete Hire Heroes USA's training for Veteran hiring
- Established a Veteran Skills Translator on the Activision Blizzard careers website

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[8] STEM Advantage is a nonprofit organization providing science, technology, engineering and math (STEM) career opportunities to California State University students, the largest and most ethically diverse 4-year public university system in the nation with over 50% of the student body comprised of people of color.

RECURITING
DIVERSE TALENT

Candidate Slates

Diverse Candidate Slates:
We expect our internal recruitment teams and external agency partners to provide diverse slates of job candidates where practicable. Building on the tools and systems we launched in 2021, we held training sessions and created resources in 2022 to empower hiring managers and recruiters to access and better understand their diversity pipeline data. Tools such as the Diversity Pipeline Dashboard give our recruiters an aggregate view of the gender, racial, and ethnic group diversity of their candidate pipeline.

Diverse Candidate Slates at the VP Level & Above:
Our Executive Recruiting Team is tasked with bringing in the best leadership talent. In 2022, the team set a goal of having diverse candidate slates for at least 90% of our vice president level and above searches. We are proud to share that our team exceeded this goal, achieving diverse slates in 95% of our executive searches.

ANGELA ALVAREZ
(she/her)
Talent Operations Lead
- Activision Blizzard

"I'm grateful to work with talented individuals and teams who are passionate about enabling and empowering our people through the development of new tools, training, and sharing of best practices."

ENGAGING
EMPLOYEES

Listening to Our Employees: ABK Upward

In September 2022, we launched our second annual upward feedback survey, ABK Upward. This survey gives employees the opportunity to provide anonymous quantitative and qualitative feedback directly to their managers. Employees were invited to give feedback to their current (direct-line) managers, matrix (dotted-line) managers, as well as any manager that they reported to for more than three months in the last year.

Each manager that received feedback was given a personalized report containing links to tailored learning and development resources. We generated a new report this year for managers-of-managers that enables them to view the ABK Upward results of all their direct report people managers.

2022 ABK Upward results:

- 7,320 employees (61% of eligible employees[9]) provided feedback to one or more people managers.
- 2,442 people managers (approximately 90% of the population of eligible people managers) received a personalized feedback report.

Employee Survey Results[10]

The purpose of our employee surveys is to measure and monitor trends in core factors and elements of our employee work experience. The current cadence for employee surveys varies per business unit, with at minimum one survey conducted annually. Key findings include:

- 6,651 employees (72% of eligible employees) provided feedback on their engagement and overall work experience.
- Employee engagement in 2022 was 71.6 (out of 100 possible points), compared to a score of 71.0 in 2021. Our Engagement Index is a composite of overall satisfaction and likelihood to recommend working at the Company.
- Employee inclusion was 76.0, compared to a score of 75.8 in 2021. Our Inclusion Composite measures the degree that employees feel that they are treated fairly, that they belong at the company, and that they can bring their authentic selves to work.
- 4,652 employees (71.1% of eligible employees) responded that they were excited to stay with the Company for the next year. This was the first year that employees were asked this question enterprise-wide.

SHRUTI PARMAR
(she/her)
Director, IT
HR Applications
- Activision Blizzard

"At Activision, Blizzard and King, I've never felt alone. I have always felt like there's a group of people supporting and working with me and we all are just driven towards our goals. This company has a lot of good energy that I absolutely love."

[9] For purposes of our ABK Upward feedback, 'Eligible employees' is defined through Workday as active employees who are employed by the Company (Regular/FTE, TEA/Fixed-term contract, Interns) and excludes inactive employees and our contingent workforce. [10] Survey scores are out of a possible 100 points. A score of 100 would represent every employee responding that they "Strongly Agree" to the survey prompt on a 5-point Likert scale, and a score of 0 corresponding to every employee responding that they "Strongly Disagree." Scores represent the average across all individual employee responses on each question included in the composite score.

DEVELOPING CAREERS
AND GROWING LEADERS

In 2022, we advanced our talent strategy. We improved our onboarding process, feedback cycles, and comprehensive performance management, and we worked to integrate learning and development across the entire employee lifecycle.

Key learning and development wins across our teams in 2022 included:

- Rebuilt our Learning and Development (L&D) function which includes program design, cross business unit collaboration, and operational learnings. The function has been activated locally and is serving each of the business units.
- Made key improvements to our performance management system and mentoring program.
- Designed and launched Manager Foundations — our first enterprise-wide manager development program.
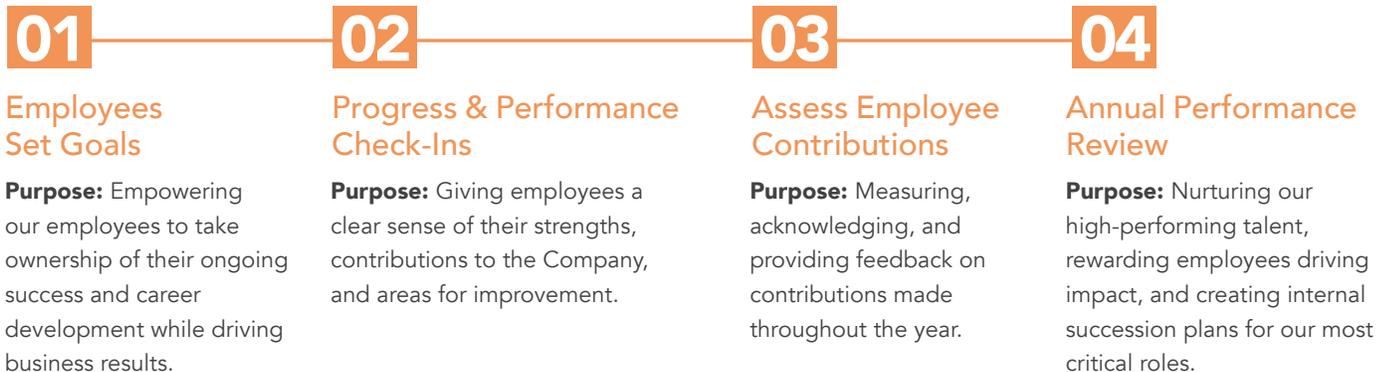
KEVIN (SUNG) YOO
(he/him)
QA Manager
- Activision

"Manager Fundamentals has really helped me discover my passion, which is to help our team members develop their careers and become a future developer, contributing producer, and whatnot. As long as they are doing great work and showing dedication, are willing to learn, and developing more soft skills, I will do all I can to help them become the next level producer, artist, engineer, or grow within QA. And that's what I love about what I'm doing now."

Performance Management & Career Development

We attract world-class talent passionate about delivering epic entertainment through our games. Our success is a testament to them. To further enable their success, we focused on two key improvements to grow our people leaders and enable them to improve talent development in 2022:

- We created training sessions and resources that support our people leaders throughout each step of our review process and thereby increase the effectiveness of our performance review cycles.
- We expanded our annual performance review process to include additional rigor and focus on ensuring fair assessment of our global talent throughout the Company.

Our refined Performance Management process includes four key foundational components:

01 Employees Set Goals	02 Progress & Performance Check-Ins	03 Assess Employee Contributions	04 Annual Performance Review
Purpose: Empowering our employees to take ownership of their ongoing success and career development while driving business results.	**Purpose:** Giving employees a clear sense of their strengths, contributions to the Company, and areas for improvement.	**Purpose:** Measuring, acknowledging, and providing feedback on contributions made throughout the year.	**Purpose:** Nurturing our high-performing talent, rewarding employees driving impact, and creating internal succession plans for our most critical roles.

Mentorship Programs

In 2020, King launched the internal "Kicking Glass" mentorship program for women. The program's success resulted in the Activision Blizzard Together@ABK mentorship program, scaled globally across our ten ENGs. We finished the year with 644 registrants, 476 mentorship sessions, and a 3.9/4 star satisfaction rate from mentees. The program enabled us to connect mentees and mentors from different ENGs, departments, and business units across the Company. Our hope is that Together@ABK will continue to empower our workforce through meaningful connections, a more resilient community, and opportunities for growth.

REWARDING &
SUPPORTING EMPLOYEES

Activision Blizzard delivers epic experiences to our players through the hard work and dedication of our employees. We are committed to providing employees equal pay for equal work and finding ways to reward impactful performance. We also support our employees outside of the workplace through inclusive and innovative benefit programs that empower them, and their families, to live healthy and secure lives.

ARIN GOLDSMITH
(she/her)
Talent Marketing Specialist
- Blizzard

"I get to help people discover some of the benefits in our handbook that they might have missed the first time around. For example, [U.S. full-time employees] have an annual stipend for up to $3,000 for professional certifications. It's very rewarding to me to help amplify and point out a lot of the amazing benefits of working here."

Offering Competitive Compensation

We aim to provide compensation packages that attract, retain, and reward our employees for their performance. We also try to align employee interests with those of our shareholders by connecting compensation to an employee's individual impact, Company performance, and business unit and franchise performance.

Global Pay Equity Review and Median Pay Gap Analysis

As part of our 2021 commitment to increasing transparency on pay equity, we conducted a global pay equity review for 2022, as we did for 2021. We are proud to share that for the second consecutive year, we have maintained pay equity globally at our company. After accounting for factors that impact pay such as role, location, tenure, and job classification, our analysis showed that employees who self-reported as women, non-binary people, or who self-reported as something else earned on average $1.00 for every $1.00 earned by men for comparable work. This third-party analysis validates our ongoing efforts to ensure that employees are paid equitably. Pay equity is one of the most critical measures for us in maintaining our commitments around inclusion and transparency.

We also conducted a global median pay gap analysis for 2022. A median pay gap analysis reflects the difference between the median earnings of all employees who do not self-report as men compared to all employees who self-report as men, across the entire Company, regardless of their job. It does not compare the pay of employees performing comparable work, like the pay equity review above.

Globally in 2022, the median total compensation for men was 16.4% higher than the median total compensation for those who self-reported as women, non-binary people, or who self-reported as something else. This gap has narrowed from the 22.8% reported for 2021. This demonstrates meaningful progress in narrowing the gap, and reflects factors such as the Company's conversion of contingent workers to full-time workers, as well as our continued strides in inclusive recruiting, hiring, and promotion practices.

Benefits Highlights

We aim to support our employees' well-being by offering benefits that support mental, physical, and emotional health. In 2022, we announced benefit enhancements for employees for both our U.S. and international teams.

U.S. Highlights:

Physical Health:
- Enhanced our Benefits@Play program to allow for additional opportunities to hit health and point goals
- Expanded eligibility criteria to 1:1 health coaching via Newtopia
- Provided on-site flu and COVID-19 vaccine booster clinics in Southern California, Minnesota, Texas and Wisconsin

Mental Health:
- Increased the number of Employee Assistance Program (EAP) counselling sessions from eight to 10
- Added a dedicated Care Navigator to assist employees navigating mental health issues
- Gave managers and HR Business Partners access to resources via the Care Navigator on how to best support employees who may be struggling with mental health challenges
- Provided unlimited virtual counseling sessions through BetterHelp
- Used our on-site vaccine clinics in Southern California, Minnesota, Texas, and Wisconsin as an opportunity to provide educational sessions focused on mental health wellness

Benefit Selection and Education:
- Increased benefit education during Open Enrollment by offering opportunities to meet our Benefit Partners, attend virtual or onsite Health Expos to learn more about our benefit program offerings, and participate in deep dive sessions on a variety of benefit topics
- Added an interactive benefits decision support tool to guide employees through their benefit elections
- Revamped our Benefits website to optimize navigation and election access

Family Planning and Support:
- Provided a concierge service to any employee seeking high-quality childcare programs through a new partnership with Wonderschool
- Expanded our previous $5,000 adoption benefit to $20,000 in partnership with Kindbody, making the benefit applicable to both third-party reproduction and adoption services
- Harmonized family care and lactation support services across the Company through Care.com

Time Off:
- Aligned time off programs across the Company to offer a consistent 20 Vacation days (accrued, and subject to caps), nine Health days, and two Flexible Holidays
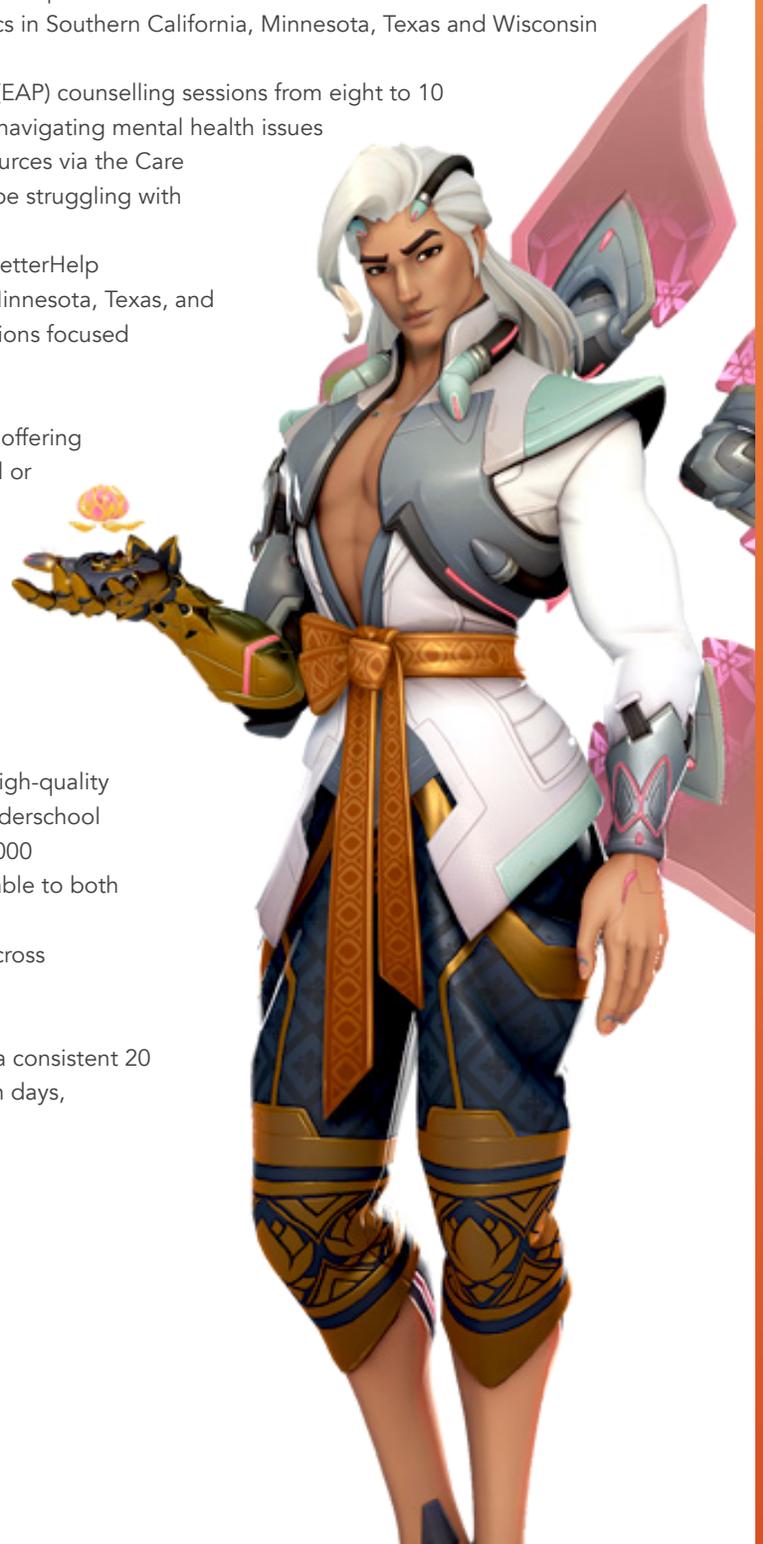
International Highlights:

Mental Health:
- Introduced EAP coverage for employees with families in Ukraine
- Continued bespoke psychological counselling for EMEA, offering employees the freedom to find a solution for mental health coaching that works for them

Physical Health:
- Provided an EMEA retained physicians network for employees and their families in Germany, Spain, Sweden, and the U.K.
- Offered flu vaccines and well-being reimbursement benefits to international employees

Benefit Expansion:
- Implemented a new technology platform called 'Boosters' to enhance employee experience in China and aligned benefit offerings over two businesses
- Introduced a new, multi-vendor pension plan in Korea
- Offered a new death and disability plan in Australia
- Launched a new group risk insurance implementation in Japan

Family Planning and Support:
- Introduced enhanced parental leave benefits in EMEA and APAC
- Offered innovative 'Peppy' health services to women in the U.K. suffering from menopause, endometriosis, or polycystic ovary syndrome

Employee Support and Recognition:
- Introduced compassionate and bereavement leaves in EMEA and APAC
- Rolled out the King Royal Recognition awards, providing awards for Kingsters who are celebrating two, five, 10 and 15 years of service milestones
- Launched a new employee store in EMEA, providing free and discounted games exclusively to our staff

For comprehensive details on the range of benefits offered to our employees in the U.S., please visit our Benefits for Every World.

ADVANCING DIVERSE AND INCLUSIVE COMMUNITIES

We connect players around the world through epic entertainment and support diverse and inclusive communities both within our games and beyond. In 2022, we advanced this work by:

- Launching our Inclusive Game Design Team
- Partnering with Reboot Representation to help increase the number of Black, Latina, and Native American women in technology through a $2 million grant
- Investing $250 million in social impact money market vehicles
- Supporting our ABK Gives Back charitable donation-matching program for employees, including 2:1 matches to non-profits aligned with our ENGs
- Placing nearly 16,000 Veterans into high-quality jobs through the Call of Duty Endowment, with over 113,000 Veterans placed since 2009

We continue to level up our ability to provide our communities with inclusive content and accessible experiences, protect player safety, and create impactful games that embrace differences.

CARLOS MORENO BRUZÓN
(he/him)
Manager, Content & Community
- King

"We are always on the lookout for how we can make our games available to everyone, including characters from multiple backgrounds to game accessibility. At the end of the day, we have millions and millions of players, so it's very important that we adapt our games so that everyone can enjoy them, because we deal with an incredible and diverse player base."

Inclusive Game Design

The ability to select from a range of accessibility features at the start of a game experience is becoming an industry standard. As such, we launched our Inclusive Game Design (IGD) Team in 2022 to ensure a world-class standard for game inclusion and accessibility. Through the expertise and dedication of our IGD Team, we are focused on ensuring the widest possible audience can enjoy our games, by encouraging characters and narratives that are both diverse and welcoming, while promoting positive gaming community interactions.

The IGD Team is well-positioned to partner with gaming teams across the Company and incorporate diverse and inclusive perspectives into every aspect of our game designs — including storylines, character development, gameplay, and community interaction.

The IGD Team focuses on three pillars:

- **Representation** - Striving for diverse and inclusive characters and narratives
- **Accessibility** - Making our games available to the widest possible audience of players
- **Community** - Promoting positive interactions and limiting disruptive online behavior in our player community

Historically, we have taken an organic approach to IGD, by empowering developers across the Company to initiate innovation. Now, we are taking a more structured approach to improve our team's capabilities by training and investing local teams in IGD.

ADVANCING REPRESENTATION
IN OUR GAMES

As a leader in the gaming industry, we understand and appreciate the importance of diverse and inclusive content in our games. In 2022, we leveled up our progress on the diversity of our characters and narratives, with the goal of expanding opportunities for players to see themselves within our games — thereby enabling us to have a positive impact on our communities.

Through the addition of our IGD function, our teams are empowered to create more inclusive gaming experiences. In 2022, our teams successfully:

- Reviewed and explored in-progress concepts of characters, narratives, environments, and nomenclature with specific game teams and franchises
- Created defined processes with studio production leaders for employees to safely and openly report potential DE&I-related concerns for evaluation and escalation, as needed
- Provided direct feedback and listening session partnerships with game content teams and our ENGs to further understanding around specific dimensions of diversity, and how they can be expressed or celebrated in our games
- Made accessibility-focused game assessments readily available for teams, focused on identifying accessibility opportunities and successes, as well as encouraging teams to consider players of all abilities
- Consulted on specific game features like custom character creator options to analyze and suggest opportunities to support inclusive perspectives, expressions, and identities
- Formed an internal IGD community at the Company that produces weekly learnings and insights on industry shifts and examples of broader inclusion in gaming

JESSICA DIPAOLA
(she/her)
Observer Manager at
Overwatch League
-Activision Blizzard

"Overwatch came out and I saw this game with all these beautiful characters and very colorful, different personalities. They were characters that looked like me in the game–characters I could relate to. We have so many different types of games that bring so many different types of characters and experiences to our audience and to our players. For me, Overwatch is one of the most diverse games that I've ever seen, which is part of the reason why I wanted to work here."
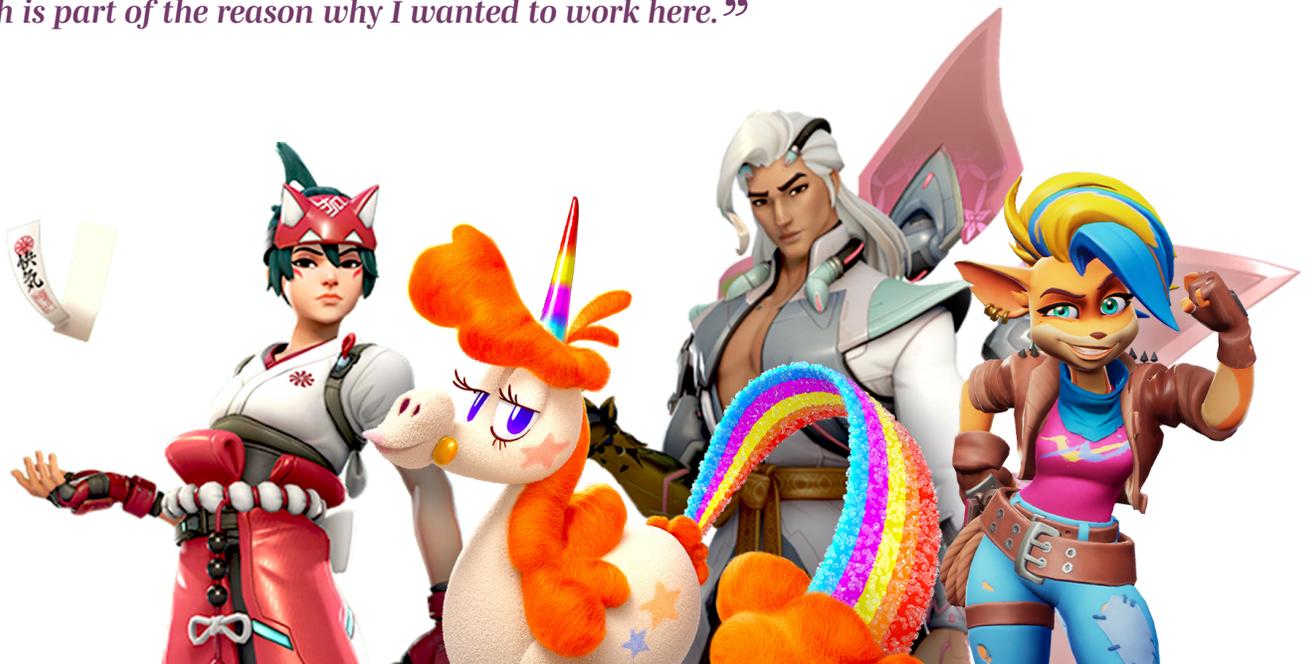
DIVERSITY
IN OUR GAMES

ACTIVISION

At Activision Publishing, we have found ways to use in-game experiences to honor and support the Veteran community that so inspires our Call of Duty® franchise. In-game purchases of the Call of Duty Endowment Protector Pack in Call of Duty®: Modern Warfare® 2 directly contributed to the Call of Duty Endowment, whose mission is to place unemployed and underemployed Veterans in the U.S and U.K. into high-quality jobs. To increase awareness about the Endowment, we launched the award-winning Call of Duty Veteruns campaign in 2022 – the first ever in-game charity race where Activision Blizzard allocated $1 for every 10 kilometers a player ran in Call of Duty®: Warzone™ Pacific (for a total of a $1 million donation). Every dollar donated to the Endowment drives Veteran job placement efforts.

Additionally, the Call of Duty: Modern Warfare 2 team collaborated with our Latinx ENG to improve the game, including the shaping and depictions of representations in the storyline, guidance regarding Mexican culture, and more authentic character depictions and locales across the campaign.

BLIZZARD

World of Warcraft - In November 2022, we released World of Warcraft®: Dragonflight™ which included LGBTQ+ inclusive character representations and narrative. This work received a GLAAD nomination for Outstanding Video Game at the 34th Annual GLAAD Media Awards, whose nomination noted that the "vibrant diversity of the development team and player community is reflected in the game more than ever. Importantly, LGBTQ characters - who are too often sidelined and overshadowed - are front and center." Our diverse representation includes characters such as Sansok Kahn (a character who is deaf), Eraleshk (a character who uses a wheelchair), Miguel and Thomas Brith (a gay couple), and Chimei (a character who uses they/them pronouns), among many others.

Overwatch - Our Overwatch franchise also includes several characters of diverse backgrounds, many of which were released as part of Overwatch® 2's launch last October, including Akari (a character who is deaf), Sojourn (a character who has rare autoimmune disease), and Lifeweaver (the first openly pansexual hero.) Overwatch and Overwatch League also launched the game-adjacent 'Calling All Heroes' mission that focuses on equity, visibility, and community support for underrepresented genders. The game team implemented an initiative called Defense Matrix—an infrastructure of systems designed to protect gameplay integrity and promote positive and inclusive, in-game behavior.

KING

King continued working with U.K. Interactive Entertainment (UKIE), a video game trade organization, collaborating on the #RaiseTheGame Pledge that helps drive meaningful change in the U.K. games sector to achieve focused goals around DE&I.

At King, we worked on several projects in 2022 aimed at improving diversity in our games. We began developing a content diversity framework that includes areas such as ableism, ageism, LGBTQ+, and gender among others. To help promote the use of more inclusive language, we released language guidelines for game teams and Kingsters. We also provided game teams, and other stakeholders, with cultural insights to promote IGD for a globally diverse player base. Lastly, we created an events calendar that provides culturally-significant events in our target markets designed to inspire the inclusion of more culturally-relevant content that resonates on a local level with our players.

MAKING OUR GAMES
ACCESSIBLE TO ALL PLAYERS

At Activision Blizzard, we believe everyone should have the opportunity to experience epic entertainment and connection across our games. We continue to grow and enhance our IGD strategies by leveling up to the latest accessibility resources.

Accessibility Highlights

- Call of Duty: Modern Warfare 2 launched button remapping options and game design that reduces motion sickness. We also added a robust accessibility quick menu for common accessibility presets, additional motion sickness reduction options, and highly flexible colorblind options so players can customize their visual preferences and needs.

- Overwatch 2 added a ping system to allow communication between teammates with a simple button press, enabling non-verbal communication within a team.

- Candy Crush Soda Saga™ and Candy Crush Friends Saga™ added a range of visual settings in a new accessibility-dedicated menu (pictured on right), as well as the ability for players to send accessibility feedback directly from the game.

- At King, we analyzed players' use of accessibility features to understand the needs of players with disabilities and inform our teams' accessibility-minded approaches.

- We launched a selection of game trailers with enhanced visual accessibility, including audio-descriptive versions of some of our cinematic trailers.
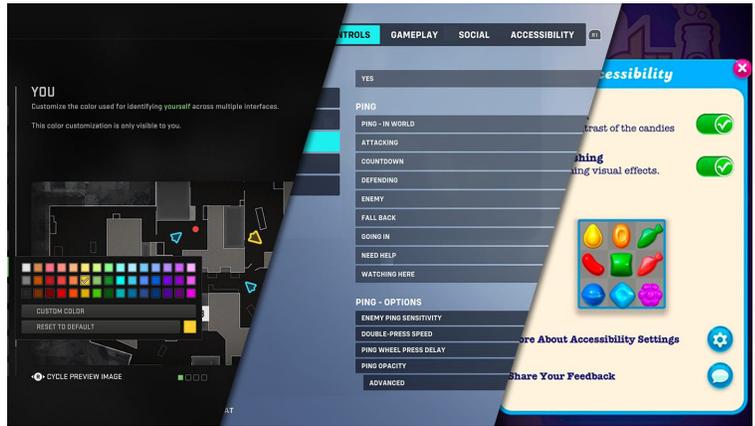
MARIE-EVE VIGNOLA
(she/her)
Mobile Design Director
- Activision

"I have been hearing impaired since childhood. All my life, I've been fighting to understand movies and games. Subtitles were a game changer for me. When I play a game, I cannot rely on sound design to understand and feel the experience, and I need additional help. Over the years, it became clear that I was not alone. Many people need help because of multiple factors. Today, it's one of my missions to make sure our games are accessible and inclusive for everyone."

AbleGamers Partnership

Since 2020, Activision Blizzard has partnered with AbleGamers, a prominent gaming accessibility non-profit. As a respected community advocate for gamers with disabilities, AbleGamers helped us improve inclusion and accessibility in our games.

Activision Blizzard regularly sends developers of all disciplines to the AbleGamers Accessible Player eXperience (APX) certification training (pictured below). In 2022, we reached an impressive milestone of having more than 100 APX certified professionals throughout our Company, which has equipped our game developers with new capabilities and has led to more intentional and precise ways to deliver diverse and accessible games.

ADRIAN LEDDA
(he/him)
Head of Inclusive
Game Design
- Activision

"In 2022, I am pleased to say that the entire Diversity, Equity, and Inclusion leadership team at Activision Blizzard has also completed the APX course, helping us to deliver accessible gaming, and help other Company leaders become more inclusive in their goals and practices."
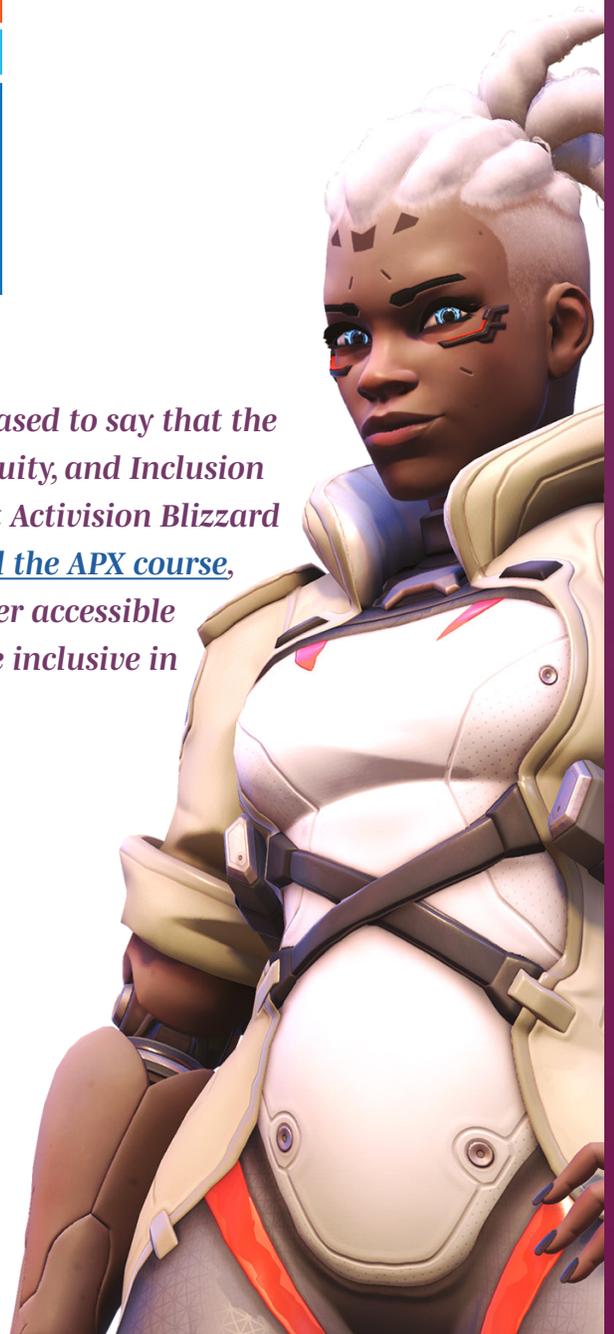
CREATING A SAFE, SECURE
ENVIRONMENT FOR OUR GAMERS

Creating and Protecting Socially Responsible Gaming Communities

Nearly 400 million global players engage with our games for an average of over an hour per day when they play, which is why we appreciate our responsibility to create a safe gaming environment for all players. We work hard each year to reduce inappropriate behaviors such as cheating, disruptive conduct, hate speech, discrimination, and harassment of every kind in our gaming communities.

DEX BADGETT
(he/him)
Social Community
Manager, Call of Duty
- Activision

"Gaming can unite players across the globe from different walks of life. Allowing as many gamers to feel welcome to play and enjoy the content that is being designed, leads to a healthier gaming community."

Call of Duty® Franchise Improvements

- Launched the Call of Duty Code of Conduct with three pillars that each player must agree to before playing:

    - Treat Everyone with Respect
    - Compete with Integrity
    - Stay Vigilant

- Introduced new Call of Duty reporting systems that enable voice chat restrictions for disruptive players, beginning with Call of Duty: Modern Warfare 2

- Implemented a new anti-cheat system: Ricochet Anti-Cheat

    - Internally, we developed a new PC kernel-level driver for the Call of Duty franchise, and globally, we implemented it for Call of Duty: Modern Warfare 2, Call of Duty®: Warzone™ 2.0, and Call of Duty®: Vanguard on PC.

    - We reduced cheating through in-game mitigations by collecting information about cheaters' bad behavior

    - to provide our anti-cheat teams with important data on unfair play.

Blizzard® Franchise Improvements

- Implemented machine learning that helps us combat disruptive voice chat within Overwatch; this feature is live in several languages and regions, and growing

- Protected the integrity of gameplay and promoted positive behavior in Overwatch 2 through our infrastructure of systems, Defense Matrix

- Added a Behavioral (Social) Contract in World of Warcraft that outlines acceptable behaviors as part of the massive World of Warcraft community; this contract needs to be read and accepted before a player can continue i nto the world of Azeroth

- Improved World of Warcraft in-game player reporting systems to streamline and simplify gamer reporting on disruptive content

While we always look for opportunities to improve, the nature of gameplay within King's franchises limits the potential for inappropriate behavior by players.

PRIVACY, SECURITY
AND RATINGS

Protecting Privacy

Activision Blizzard is committed to maintaining the privacy of our employees, players, and fans. To support this, we have privacy policies that follow global privacy principles and provide transparent and detailed information regarding our practices. We disclose how we collect, use, and share personal information (including for advertising purposes) to our employees, consumers, and fans, and respect their data privacy rights and choices over the information collected. In the event of a data breach, we provide the transparency required. Our policies are periodically updated to take into account applicable privacy laws and regulations in the countries in which we operate.

In line with our Code of Conduct, we expect each of our employees to follow these individual privacy policies and we provide training to employees on data privacy-related risks and procedures. We have measures in place designed to embed privacy and "privacy by design" principles in product design and development from the start. A Company-wide data privacy steering committee, which includes executives and business unit leaders, reviews our overall position regarding rules and regulations, and representatives from management report on privacy to the Audit Committee of our Board of Directors on a periodic basis.

Protecting Security

We use a risk-based security program to assess and triage risks to our data, infrastructure, people, and players. We have a comprehensive security policy framework that we manage our risks against and have a dedicated role focused on risk assessment and proactive vulnerability detection. We also vet third parties we do business with using a risk-based approach to uphold confidentiality, integrity and availability of our data. In addition to our traditional risk management practices, we have built a Threat Intelligence program that tracks the threat landscape relevant to our industry and business and provides us with insights and early warnings of potentially relevant threats. If a data security breach occurs, it is quickly addressed by our IT teams and other internal stakeholders and appropriate notice is provided to those affected as required by applicable law.

We adapt several industry standard cybersecurity frameworks (e.g., the NIST CSF and PCI DSS) using the knowledge of our threats, risks and insights from internal stakeholders to inform our security strategy. Our employees receive security awareness training through new-hire trainings, routine email broadcasts and reminders in our Code of Conduct which employees acknowledge on an annual basis. Our security professionals undergo routine training to keep current on security best practices. Our Chief Information Security Officer oversees the Security Team, reports to our Chief Administrative Officer, and regularly reports on threats and data security risks the Company faces, as well as the steps we take to prevent and remediate those risks, to the Audit Committee of our Board of Directors.

Our Participation in Ratings Systems

Activision Blizzard follows the applicable rating requirements where our games are advertised and sold. Console and PC games in the U.S. and Canada are rated by the Entertainment Software Ratings Board (ESRB), a self-regulatory body based in the U.S. that provides U.S. and Canadian consumers of interactive entertainment software with ratings information; this includes rating categories that suggest age-appropriateness, content descriptors, and a list of certain interactive elements that might be associated with a game. Certain other countries also have established content rating systems as prerequisites for product sales in their respective countries. In addition, certain third parties use other ratings systems. For example, Apple uses a proprietary App Rating System and some online stores, including Google Play, use the International Age Rating Coalition (IARC) rating system, whereby ratings are assigned in participating regions through a single application.

SUPPORTING THE COMMUNITIES
THAT SUPPORT US

Activision Blizzard empowers its employees to better the communities we serve through our high-impact philanthropic, volunteer, and investment programs.

ABK Gives Back

We launched our dollar-for-dollar charitable donation matching program, ABK Gives Back, in December 2021. Through this program, eligible employees can request a match up to a $1,000 (or local equivalent) on personal donations annually.

2022 statistics:

- 11,549 employee participants
- 5,294 charities supported in 72 countries

ABK Gives Back hosted several successful campaigns in 2022:

- Conducted giving opportunities with each ENG, matching donations 2:1 to support charitable organizations aligned with the respective networks' diversity focus
- In March 2022, offered a 2:1 match to benefit select organizations supporting humanitarian response efforts in Ukraine, resulting in a collective donation of $881,000
- On November 29, 2022 (Giving Tuesday), kicked off the Company's third-annual Holiday Giving Initiative, where eligible employees were given $100 (or local equivalent) to donate to the charity of their choosing on behalf of the Company, resulting in more than $1 million donated across 72 countries

Top 10 Cause Areas Supported Through ABK Gives Back

1. Human Services (including Veteran support)
2. International, Foreign Affairs, and National Security
3. Animal-Related
4. Environmental Quality, Protections, and Beautification
5. Health - General and Rehabilitative
6. Education
7. Civil Rights, Social Action, and Advocacy
8. Science and Technology
9. Employment
10. Voluntary Health Organizations and Medical Disciplines

KATE HARRISON
(she/her)
EMEA Senior Director
Exec Practice
- Activision Blizzard

"One of my favorite initiatives is actually the ABK Gives Back program, which is a donation initiative in which the company matches personal donations dollar for dollar. We can then individually choose to support the cause that we're passionate about. Environmental quality and protection and advocacy is just one of those [causes] and they always get my donation. It's a great program."

Diversity Financial Impact Investments

In 2022, we invested $250 million in money market funds selected for their support of diverse and inclusive communities. This was in addition to a $1.25 billion investment in 2021. A large portion of the investment manager fees associated with these funds are reallocated to minority-led, women-owned, or disabled-Veteran-owned firms who use the earned profits to support underserved communities.

Our 2022 social impact investments included the following:
- $100 million investment to support Black-led securities firm, Loop Capital
- $100 million investment to support a women-owned securities firm, R. Seelaus & Co., who allocates a portion of earned fees to support gender equity in the technology sector
- $50 million investment to support disabled-Veteran-owned securities firm, Drexel Hamilton

These investments provide revenue to financial firms that are dedicated to advancing diverse and inclusive communities. At the end of 2022, our combined $1.5 billion of outstanding social impact investments represented 12% of our aggregate cash, cash equivalents, and short-term investments.

Impact Grants

In 2022, we provided and saw results from impact grants that address the evolving needs of our communities, including:

Women in Games International (WIGI) is a non-profit that aims to empower women, nonbinary, and femme-identifying professionals and create more diverse representation in the global game industry through programs, workshops, panels and initiatives focused on professional development. Activision Blizzard issued WIGI a grant of $1 million. Through this gift, WIGI was able to hire full- and part-time employees for the first time. This donation also supported 45 skill-building, mentorship, and networking programs and more than 20 global games industry conference panels and roundtable discussions in 2022.

Ukraine/Poland Grants: In March 2022, we donated more than $400,000 to Poland-based organizations in support of Ukrainian refugees. The funding supported both immediate humanitarian response efforts and long-term assistance for Ukrainian refugees in Poland.

Dare IT is a Poland-based mission-focused company working to increase the representation of women in IT at every career level. In March 2022, we invested $214,000 in Dare IT to fund the re-skilling of Ukrainian refugees for careers in IT through a custom training program. The multi-cohort effort offered career pathways in User Interface Design and Quality Assurance, including access and resources to mentorship and recruiter consultations. For the first cohort, 27 graduates were hired into IT positions upon program completion.

Polish Humanitarian Action / Polska Akcja Humanitarna is a humanitarian non-profit organization based in Warsaw, Poland. Our $200,000 donation supported immediate and long-term humanitarian response efforts helping Ukrainian refugees. These efforts included, but were not limited to, distribution of food, hygiene kits, and non-food items, psychosocial support, financial support, and organization of humanitarian convoys and intervention points.

Friends of the American University of Afghanistan (FAUAF) is dedicated to supporting higher education in Afghanistan through entities like the American University of Afghanistan (AUAF). As part of that mission, FAUAF has worked to relocate and resettle faculty and students of the AUAF to campuses of four of its university partners. In 2022, Activision Blizzard team members attended a FAUAF event in Washington D.C., where our CEO, Bobby Kotick, accepted their International Public Service Award on behalf of the Company for its previous support in 2021. Activision Blizzard matched the total funds raised at the event, resulting in a donation of over $500,000 to FAUAF.

Sharebite, a service which caters meals at several Company workplaces, allowed us to donate 27,000 meals in 2022 to people experiencing food insecurity. For every staff meal the Company purchased, Sharebite provided a cash contribution to serve communities where we have participating offices through their charitable partners, City Harvest and Feeding America.

2022 Call of Duty Endowment Achievements

Founded in 2009 by Company leaders and supported with Company funds, the Call of Duty Endowment helps Veterans find high-quality careers by supporting groups that prepare them for the job market and by raising awareness of the value that Veterans bring to the civilian workforce.

2022 was a great year for the Call of Duty Endowment and the Veterans we serve:

- Reached an incredible milestone of funding the placement of 100,000 Veterans in high-quality jobs, two years ahead of its 2024 goal. The Endowment's next goal is to place 150,000 Veterans by 2027.

- Placed 15,987 Veterans into high-quality jobs, with a cumulative total of 113,679 placements since its launch in 2009.

- Of the Veterans placed in 2022, 19% were women and 21% were Black. We take great pride in these metrics, considering that those who identify as women and Black Veterans make up just 10% and 13%, respectively, of the U.S. Veteran community.

- The Company donated 100% of net proceeds received from Endowment-themed items purchased in our games to the Endowment's Veteran job placement work. Last year, these sales exceeded $5.9 million in net proceeds and will drive more than 8,900 Veteran job placements in 2023.

- Since the Endowment's founding, the organization has provided more than $72 million in grants to leading Veteran employment nonprofit organizations in the U.S. and U.K., driving more than $6.6 billion in economic value (first year salaries gained) for Veterans and their families.

For more information, please view the Call of Duty Endowment's most recent Grant Report.

2022 Veterans Day of Service

Activision Blizzard hosts our Veterans Day of Service (VDOS) every November, during which we encourage employees across the Company to spend a work day volunteering to support Veterans, currently serving military members, and their families. Our service projects include activities such as painting, landscaping, preparing meal packs, and sorting warehouses of donated food for homeless Veterans. The VDOS helps create a sense of community within our teams and allows our employees to provide meaningful support for Veterans.

For our ninth year of VDOS, we saw 1,080 employees volunteer and contribute to 24 non-profit organizations across four countries with a collective 1,985 hours donated in 2022.

PROTECTING THE PLANET

At Activision Blizzard, we are committed to protecting the planet by reducing the environmental impact of our operations, both directly and within our value chain. We are identifying opportunities that decarbonize and reduce the environmental impact of the way we work, partner, produce, and market games. Throughout 2022, we made significant progress including improving the quality of our environmental data, driving more renewable energy use, and reducing water consumed across our enterprise.

GREENHOUSE GAS EMISSIONS
METRICS, REDUCTIONS AND GOALS

In 2022, we focused our efforts on improving the quality, completeness, and accuracy of our GHG emissions data and reporting capabilities in this evolving field.

We used the insights gathered for our annual GHG emissions reporting to refine our decarbonization roadmap towards achieving our net zero GHG emissions by 2050 goal.
In the year ahead, we intend to:

- Set near-term targets for Scope 1, 2 and 3 in support of our Net Zero by 2050 target
- Submit our near-term CO_2 reduction and long-term net zero targets for SBTi validation
- Express our expectation to receive high-quality data on energy consumption, CO_2 emissions, water usage, and waste for reporting to our workplace landlords, data center facility owners, public cloud providers, and a number of other key supply chain partners
- Examine our game distribution, performance marketing, travel, game development, procurement, and events practices to drive more sustainable operations
- Explore additional renewable energy opportunities for our offices and data centers

THOMAS MERCIER
(he/him)
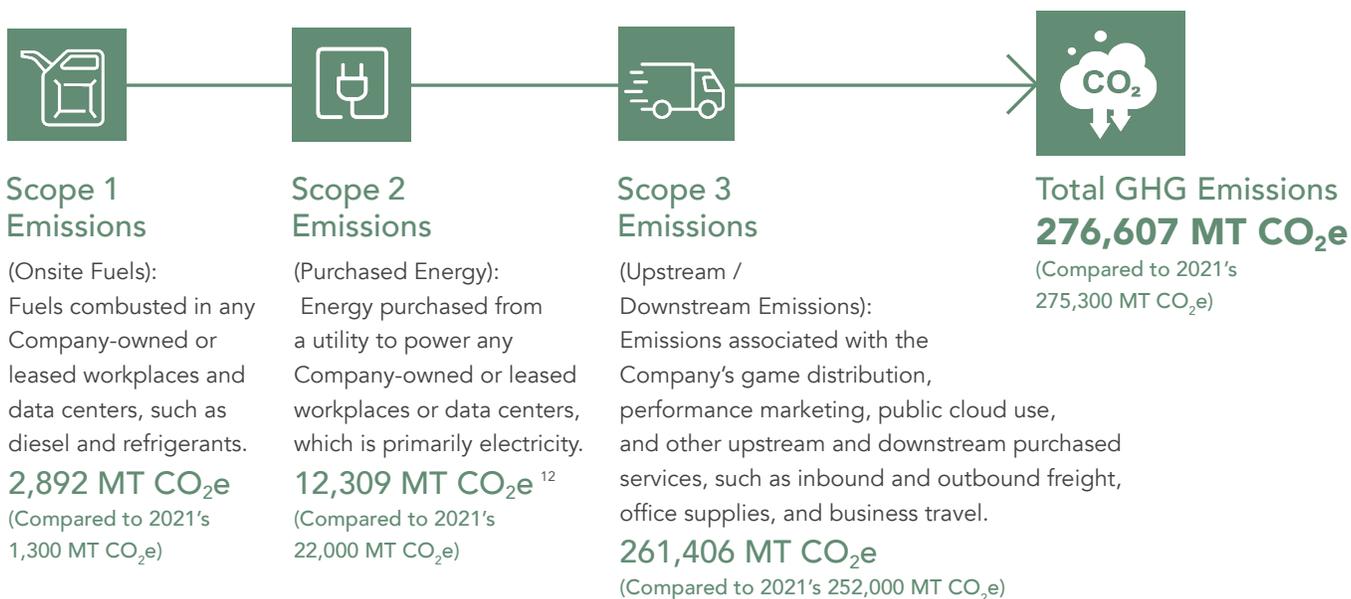Director, Strategic Activation and Innovation
- Activision

"It will take a many hands to achieve our Net Zero carbon emissions goal. It's key for ABK to collaborate with its media partners and challenge them to meet our business goals while decreasing their carbon footprints. The outcome from this Net Zero effort is simple: we either all lose, or we all win."

OUR 2022 GHG
EMISSIONS FOOTPRINT

Our GHG footprint includes Scope 1, 2, and 3 emissions, and their measurement has become more robust since 2021, especially as we reduced vendor data gaps, improved estimations and data accuracy, switched from a location-based approach to a market-based approach and from a spend-based to activity-based approach where feasible, and obtained more vendor-level emissions data. In 2022, the overall GHG emissions that we reported increased by an estimated 0.5%[11]. At the same time, we drove a number of proactive decarbonization efforts that have begun to yield helpful results, detailed below.
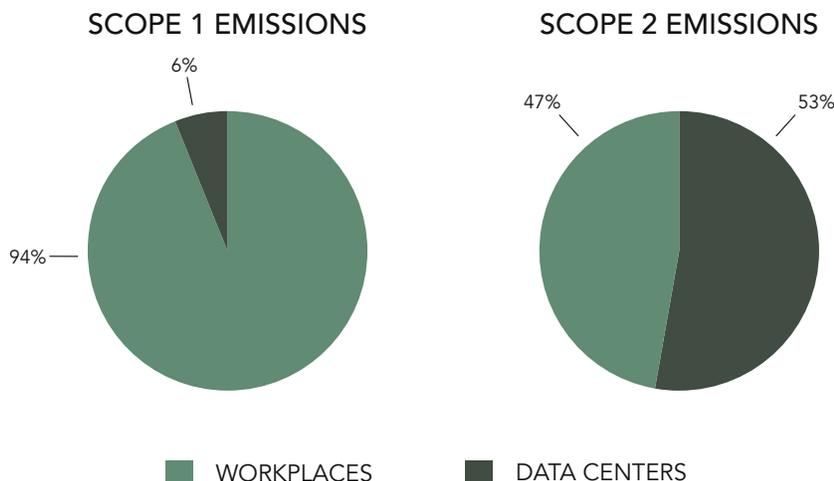
Scope 1 Emissions

(Onsite Fuels): Fuels combusted in any Company-owned or leased workplaces and data centers, such as diesel and refrigerants.

2,892 MT CO_2e
(Compared to 2021's 1,300 MT CO_2e)

Scope 2 Emissions

(Purchased Energy): Energy purchased from a utility to power any Company-owned or leased workplaces or data centers, which is primarily electricity.

12,309 MT CO_2e [12]
(Compared to 2021's 22,000 MT CO_2e)

Scope 3 Emissions

(Upstream / Downstream Emissions): Emissions associated with the Company's game distribution, performance marketing, public cloud use, and other upstream and downstream purchased services, such as inbound and outbound freight, office supplies, and business travel.

261,406 MT CO_2e
(Compared to 2021's 252,000 MT CO_2e)

Total GHG Emissions
276,607 MT CO_2e
(Compared to 2021's 275,300 MT CO_2e)

Business Unit	Total Scope 1, 2 and 3 (MTCO$_2$e) Markets-based Emissions	% of Total Scope 1,2 and 3 Market-based Emissions
Activision Publishing	100,724	36.4%
Blizzard Entertainment	67,172	24.3%
King	62,233	22.5%
Activision Blizzard (corporate entity)	46,478	16.8%
Total	276,607	100%

[11] Greenhouse gas accounting is a developing field, in particular for the calculations of Scope 3 emissions, and as methodologies become more refined and data quality improves, we expect more changes to our overall carbon footprint in the future. Market-based emissions allow us to receive credit for renewable energy sources used by our vendors to deliver our purchased services. We did not obtain market-based data from our vendors in 2021. Accordingly, comparing 2021 and 2022's overall carbon footprints is an imperfect assessment. [12] Our 2022 Scope 1 and 2 emissions shown here are calculated using a market-based approach. Location-based and market-based Scope 2 emissions were both calculated for calendar year 2022 according to the World Resource Institute's GHG Protocol guidance. Location-based emissions were 25,696 MTCO2e while market-based Scope 2 emissions were 12,309 MTCO2e.

Scope 1 and 2 Emissions

Combined, Scope 1 and 2 emissions represent 5.5% of our overall GHG emissions. Workplaces were responsible for 94.4% of our Scope 1 emissions and data centers accounted for 52.5% of our Scope 2 emissions. Market-based Scope 2 emissions, new in 2022 (location-based emissions were measured in 2021) reflect the significant use of renewable energy at the Company's data centers and workplaces.

SCOPE 1 EMISSIONS

6%
94%

SCOPE 2 EMISSIONS

47%   53%

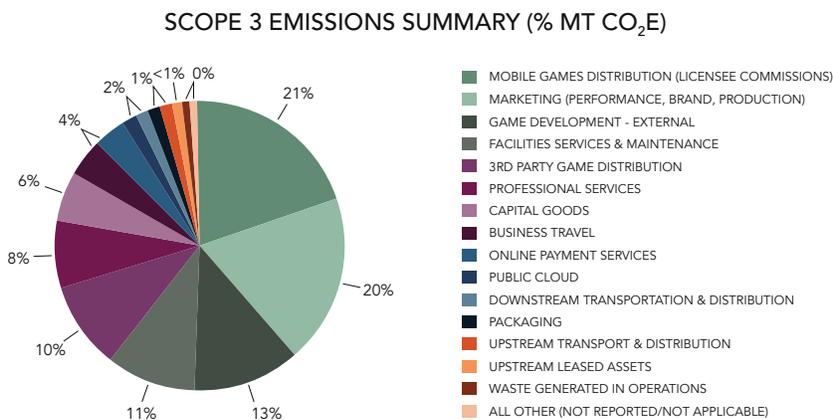■ WORKPLACES   ■ DATA CENTERS

Scope 3 Emissions

In 2022, we saw 3.6% growth in Scope 3 emissions due primarily to a substantial increase in business travel and inclusion of capital goods (Scope 3, Category 2) in 2022's inventory. We strive to improve our GHG emissions reporting each year. To drive greater accuracy in our reporting, we also made a significant shift from spend-based to activity-based calculations for certain categories, such as public cloud and business travel data. For the first time, all of our major providers of public cloud services provided us with market-based emissions data.

Category 1 Purchased Goods and Services is our largest Scope 3 emissions category, representing 87.7% of our Scope 3 emissions. There are three main contributors to this category, representing a combined 49.8% of our total (Scopes 1,2 and 3) carbon emissions footprint:

*   Marketing[13]
*   External Game Development
*   Mobile Game Distribution

In 2022, business travel emissions increased 127% due to post-pandemic return-to-work trends and shifting to activity-based calculations. This category now includes air and car miles traveled as well as hotel night stays.

We are focused on collaborating with our value chain partners to reduce emissions across many areas of our operations. Given the difficulties in obtaining vendor-specific emissions data, we still rely heavily on spend-based emissions data and, accordingly, business growth significantly drives increases in our Scope 3 emissions.

SCOPE 3 EMISSIONS SUMMARY (% MT CO_2E)

21%
20%
13%
11%
10%
8%
6%
4%
2%
1% 1% <1% 0%

■ MOBILE GAMES DISTRIBUTION (LICENSEE COMMISSIONS)
■ MARKETING (PERFORMANCE, BRAND, PRODUCTION)
■ GAME DEVELOPMENT - EXTERNAL
■ FACILITIES SERVICES & MAINTENANCE
■ 3RD PARTY GAME DISTRIBUTION
■ PROFESSIONAL SERVICES
■ CAPITAL GOODS
■ BUSINESS TRAVEL
■ ONLINE PAYMENT SERVICES
■ PUBLIC CLOUD
■ DOWNSTREAM TRANSPORTATION & DISTRIBUTION
■ PACKAGING
■ UPSTREAM TRANSPORT & DISTRIBUTION
■ UPSTREAM LEASED ASSETS
■ WASTE GENERATED IN OPERATIONS
■ ALL OTHER (NOT REPORTED/NOT APPLICABLE)

[13] Scope 3 Marketing Emissions include brand marketing, marketing production, and performance marketing.

Total Energy, Electricity, & Renewables Use

Purchased Electricity
97%
(Compared to 2021's 90.19%)

Total Energy Use[14]
96,679,879 kWh
(Compared to 2021's 63,848,270 kWh)

Renewable Electricity
61%
(Compared to 2021's 0.39%)

Total Electricity Use
86,264,774 kWh

Sources of Electricity Consumed

Our 2022 electricity consumption (Scope 2 - market-based) was 86,264,774 kWh, with data centers accounting for 62.9% of electricity usage and workplaces at 37.1%.

In 2021, less than 1% of both data center and workplace energy came from renewable energy. In 2022, as a result of focused efforts to reduce our GHG emissions, this number has significantly increased to 61% purchased renewable energy across data centers and workplaces.

Our analysis showed that 19 of our 38 data centers reported using or deploying some form of renewable energy. More specifically, 71% of overall data center electricity consumption came from renewable energy through Renewable Energy Credits (RECs) at 54.6%, Power Purchase Agreements (PPAs) at 13.6%, and Geothermal and on-site solar at slightly less than 3% combined.

43% of our workplace electricity consumption came from renewable sources, up from less than 1% in 2021. This increase was due entirely to the Activision Blizzard Irvine campus, which recently joined the City of Irvine's Community Choice Aggregation program. This program allows the entire property to use 100% renewable energy. Since Irvine only makes up about 20% of our total office space square footage, and given return to office trends at other company locations that are not using renewable energy, it is possible that our aggregate percentage of renewable energy use will decrease next year.

Notable Supply Chain Updates

Converting to a more digitally-focused business enables us to set and achieve important sustainability goals. Through this transition, we reduced our packaging waste by 70% (compared to a 2019 baseline) and surpassed our original goal of a 50% reduction by 2024.

[14] Scope 1 emissions energy sources have been converted to kWh to provide a normalized comparison.

Our Facilities' Footprint

- Number of properties owned: 1 (a facility in Germany)

- Square footage of properties owned: approximately 44 thousand square feet

- Number of property leases (excluding data centers): 128

- Global square footage of properties leased is approximately 2.6 million square feet

- Number of facilities within our portfolio that are LEED or ISO Certified: 29

Strategic Planning for Data Center Needs

We prioritize environmental impact and efficiency when selecting our data centers. In 2022, we made significant efforts to retire inefficient hardware by turning off and decommissioning older server racks and equipment. We also rolled out next-generation services that deliver higher performance per watt and equip us to further reduce our data center environmental footprint. To enable comparisons to our 2021 baseline data, we requested that all our data center providers complete surveys about their energy, emissions, waste, and water footprints.

By refining our data center operations within our providers portfolios, we enhanced our business efficiencies and reduced our environmental footprint. We also transferred data and hardware to energy and water-efficient facilities with the goal of increasing the number of our data center providers committed to optimizing their environmental footprints.

Water Usage

Our total water withdrawn in 2022 was 10,024,342 gallons, which is a significant (68.6%) decrease from our 2021 water consumption of 31,921,371 gallons[15]. Our headquarters and many of our facilities are in California, so we are mindful of the historic drought impacting the Southwest as we strive for more sustainable operations. The table below shows the percentage of locations in regions with High or Extremely High Baseline Water Stress.

2022 Water Stress Break Out Levels

	%
Extremely High (>80%)	40%
High (40-80%)	16%
Medium - High (20-40%)	4%
Low - Medium (10-20%)	9%
Low (<10%)	31%
Total	100%

Waste and Recycling

In 2022, we generated 3,271 metric tons (MT) of waste across the Company, a 5% decrease compared to 3,466 MT in 2021. We continue exploring opportunities to improve the quality of waste data we can collect.

We expanded our e-waste efforts across our global workplaces and now have active e-waste recycling efforts at our major offices in Australia, China, London, Spain, Sweden, and the U.S. Through this expansion, hundreds of laptops, phones, hard drives, networking equipment, and more were recycled or donated to local charities.

[15] This decrease is due to a change in estimation of water consumption per square foot. Improved data quality from a larger number of workplaces (58 locations vs 25 locations in 2021), resulted in the regressed water usage per square foot of office space to decrease from 7.2 gallons to 5.84 gallons.

OTHER
ENVIRONMENTAL INITIATIVES

Sustainable Operational Initiatives Roadmap

2022 was an important year for our company's sustainability efforts. Leveraging our 2021 milestone of completing and disclosing our total GHG footprint inventory, we engaged cross-functional leaders to explore and identify high-impact decarbonization initiatives. Through these efforts, we created a decarbonization roadmap with prioritized actions to reduce our GHG emissions toward net zero by 2050.

Company-wide Employee Earth Day Events

2022 was the first year we celebrated Earth Day across the Company. Our goals were to educate employees on our sustainability priorities, engage them in the cause through sustainability challenges, and inspire sustainable change in their everyday lives (as shown in the images below.) Through these combined efforts, and in partnership with the non-profit Trees for the Future, we planted 10,000 trees in Sub-Saharan Africa. Trees for the Future is an organization that plants mini forests for farmers in developing countries. The trees provide jobs and food for local farmers and their villages, while teaching sustainable agriculture techniques.
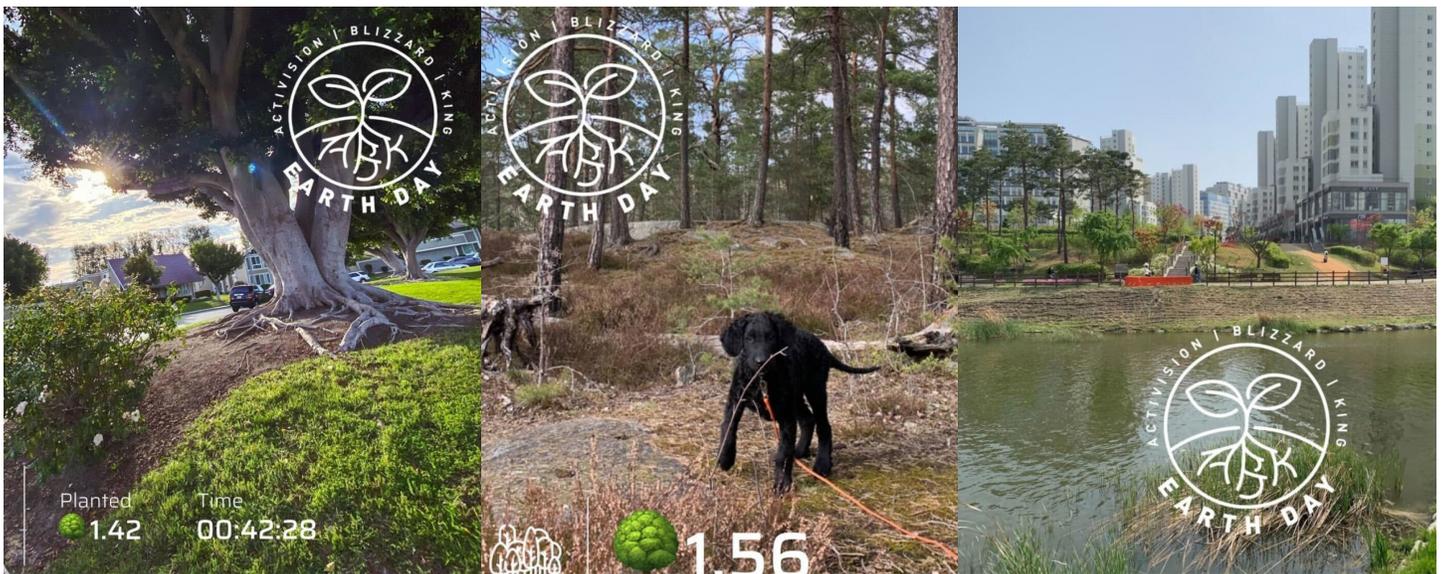
King/Earthly Partnership

King collaborated with Earthly to invest in high-quality, nature-based projects that remove carbon, restore nature, and improve the livelihoods of people around the world. The collaboration helped remove more than 8,500 MT of carbon, which is equal to removing the footprint of more than 34,000 flight hours.[16]

The King and Earthly partnership supports projects such as Agroforestry Regeneration in Kenya, Rainforest Protection in Congo, and Seaweed Farming in the U.K. These projects were selected for their carbon-reducing power, respect for local populations, and role in reversing climate change.

[16] We do not currently use offsets in calculating our Company's GHG footprint.

King Participation in Impact 2022

King was invited to present during Impact 2022, an event also attended by the King and Queen of Sweden. The event's goal was to bring together leaders from different industries to share ideas on how to create a more sustainable future.

TODD GREEN
(he/him)
GM Candy Crush Franchise
- King

"*During my time at King, I have been fortunate to talk to, work with and speak in front of many industry experts and leaders. But Impact 2022 was a first for me. I was grateful to be able to talk to experts in a different field, and at a conference hosted by the Swedish Royal family, [which] has a long-standing interest in sustainability. The chance to represent King, and to do so on a subject that is so important to me, was a real highlight! I've always wanted to help King to do more; it's part of our values. For me as an individual, a leader, and a colleague, it's important to consider the legacy we're leaving behind.*"

Additional Climate Disclosures (CDP)

In 2022, we built on our commitment to transparency, and responded to the CDP climate survey. This was our inaugural submission to CDP and we plan to submit again in 2023.

Climate-related Risk Assessment

Our Corporate Risk department performs an Enterprise Risk Management Assessment, which includes appraisal of climate-related risks and opportunities. The results are delivered to our Board of Directors, which is responsible for overseeing the company's operational risk management, including climate-related risks and opportunities. For more details about our climate-related risk assessment, please refer to the TCFD section of this report.

CORPORATE GOVERNANCE AND ESG OVERSIGHT

BOARD OVERSIGHT OF ESG PRACTICES, PERFORMANCE, DISCLOSURE

Senior management is responsible for developing and implementing the Company's financial and strategic plans, and identifying, evaluating, managing, and mitigating the risks inherent in those plans. Our Board is responsible for understanding and overseeing those plans, the associated risks, and the steps that senior management is taking to manage and mitigate risk. Our Board, its committees, and senior management exercise this risk oversight function in a variety of ways, as detailed below.

Nominating and Corporate Governance Committee Oversight

Activision Blizzard's Nominating and Corporate Governance Committee oversees our ESG strategies, practices, policies and reporting, and provides management with feedback and guidance on the Company's ESG efforts and also oversees the mitigation of ESG risks, including climate-related risks and other risks associated with our overall corporate governance, Board composition, and Board succession planning.

Board of Directors

The Board assumes an active role in overseeing the overall risk management process, including through oversight of the Company's regular strategic risk assessment, and in providing strategic guidance for the Company, while delegating certain risk management oversight functions to its committees, each of which regularly reports to the Board. The Board regularly reviews management's conclusions and recommendations regarding current and future potential strategic enterprise-level risks, as well as the strategies proposed to mitigate such risks, and communicates regularly with management about risk oversight. The Board also regularly reviews succession plans for the Company's senior management.

Audit Committee

The Audit Committee plays the primary role in overseeing risk mitigation on behalf of the Board and oversees compliance with legal and regulatory requirements. It regularly receives reports from senior management with respect to potential areas of significant risk and our internal controls and mitigation plans with respect to those risks. The Audit Committee also monitors the adequacy of our Ethics and Compliance program, including compliance with our Code of Conduct, anti-bribery, and whistleblower programs. In addition, it actively oversees our cybersecurity, data privacy, data security and other risks relevant to the Company's information technology and related risk management programs.

Compensation Committee

The Compensation Committee actively oversees risks relating to human capital management as part of its role in overseeing human capital matters, including attracting, retaining, and developing talent; compensation; and diversity, equity, and inclusion initiatives. In addition, it annually reviews the risks that may be created by our compensation programs and policies, and determines if disclosure of potential compensation risk is necessary in our proxy statement for the annual meeting of shareholders.

Workplace Responsibility Committee

The Workplace Responsibility Committee actively oversees the Company's progress in successfully implementing new and updated workplace policies, procedures, and commitments, including commitments made to appropriate regulatory agencies, and works with management to develop such additional enhancements or best practices as the committee deems appropriate. In consultation with management, the committee is responsible for developing key performance indicators or other means to measure progress and ensure accountability.

Corporate Governance: Highlights

We are committed to strong corporate governance practices.[17] Through a foundation of strong corporate governance we are able to create an environment of accountability and promote the long-term interests of our stakeholders.

Board of Directors: Highlights (As of May, 2023)

Our Board Chairman and CEO are separate positions and we have a Lead Independent Director in place.

In any future search, our selection pool for new Independent Director nominees will include qualified women and racially/ethnically diverse candidates.

Our board engages with investors regarding our financial and operational performance, as well as executive compensation, ESG and other matters investors consider important.
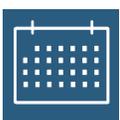
In any future external search, our selection pool for a new CEO will include qualified women and racially/ethnically diverse candidates.

Approximately 78% of our directors are independent, as are all members of our four Board committees.

Approximately 22% of our directors self-identify as having a diverse demographic background.[18]

Our directors are elected annually.

Approximately 33% of our directors are women.

Dramatically Reduced CEO Compensation

In October 2021, our CEO, Bobby Kotick, asked the Board to reduce his compensation, excluding the value of benefits, to the lowest amount permitted to be paid to exempt employees under California law. Consequently, Mr. Kotick's annual base salary was reduced to $62,500 (the lowest amount permitted to be paid to exempt employees under California law in 2022, rounded to the nearest $500) effective as of October 28, 2021, and he did not receive any awards of equity incentive compensation or non-equity incentive compensation during 2021 or 2022. This compensation arrangement will remain in effect (adjusted for increases to minimum salary mandated by law) until the Workplace Responsibility Committee of the Board has determined that the Company has made appropriate progress toward the achievement of the transformational workplace excellence goals and other commitments, which our CEO announced in a letter to our employees.

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[17] Please see our Corporate Governance Principles and Policies
[18] Any individual who self-identifies as African American or Black, Alaskan Native or Native American, Asian, Hispanic or Latinx, Native Hawaiian or Pacific Islander, or two or more races or ethnicities, and / or is LGBTQ+.

ESG Steering Committee and Working Groups

Our ESG Steering Committee and ESG working groups manage ESG efforts across the Company.

ESG Working Groups are task-specific teams that consist of leaders from our executive management and employees from across our business units and corporate functions. The working groups support the ESG Steering Committee by identifying and creating plans to address relevant ESG matters.

The ESG Steering Committee reports to our Board's Nominating and Corporate Governance Committee and is responsible for identifying ESG matters that are most relevant to our business. Specifically, they:

- Provide ESG Program direction
- Identify initiatives that are of highest applicability to our business, investors, and stakeholders
- Maintain accountability to our ESG commitments through regular progress updates

ESG Steering Committee Members

- Chief Administrative Officer, Chair
- Chief People Officer
- Chief Legal Officer
- Chief Financial Officer
- Chief Operating Officer
- Chief Communications Officer

- Chief Diversity, Equity, and Inclusion Officer
- SVP, Corporate Governance and Corporate Secretary
- SVP, Investor Relations
- VP, Corporate Social Responsibility and ESG

Code of Conduct

We have a code of ethics—our Code of Conduct—that applies to all of our directors, executives, and other employees worldwide. In 2022, we refreshed our Code of Conduct using people-first language to ensure employees understand our rules and to inspire them to always act with integrity. The Code of Conduct is the ethical foundation for everything we do at Activision Blizzard and outlines our expectations for all of our people. It affirms our values of responsibility, creativity, and integrity, and it is the basis for how we treat each other and our community. The members of our Board and all employees are required to review and acknowledge our Code of Conduct on an annual basis.

Ethics and Compliance Training

We require every Activision Blizzard employee to take our Way2Play training upon hire through an interactive online course that covers the key concepts in our Code of Conduct.

In 2022, we launched a new global Workplace Integrity Policy, which details our prohibition on harassment, discrimination, and retaliation and highlights what employees can expect from an investigation process. It also provides employees with tools they can use to engage in "bystander intervention" if they observe behaviors that are inconsistent with a welcoming and inclusive culture. Our entire population of eligible U.S. employees participated in interactive live Workplace Integrity Training in 2022, consisting of 1.5 hours for employees and 2.5 hours for managers. Of the participant feedback from this training, 97% indicated agreement with the statement, "I know what I need to do to report misconduct," and 95% indicated agreement with the statement, "I understand bystander intervention techniques." The Workplace Integrity Training will be expanded to non-U.S. based employees in 2023.

WAY2PLAY: OUR ETHICS
& COMPLIANCE PROGRAM

In 2022, we appointed a new Chief Ethics and Compliance Officer and added 26 Ethics and Compliance professionals to our Way2Play Team. The team is responsible for guiding the Company, and our employees, on following Activision Blizzard's policies and applicable laws. Through our Way2Play program, we encourage a culture in which people speak up if they see wrongdoing.

We are proud that more than 140 employees across Activision Blizzard have volunteered to serve as Ethics Ambassadors. Also known as "Way2Play Heroes," these peer leaders help other employees understand their reporting options, champion speaking up, and provide feedback and advice on how to strengthen Activision Blizzard's Ethics and Compliance program.

ALI ADAMS
(they/them)
UI Artist
- Activision

"I'm a Way2Play Hero, and I really feel that the program has grown in the last year and a lot of care has been put into it. Many people joined the team and we have recruited a lot of new heroes. Now we have so many more materials to reference and training lessons every month. We know so much more about the policies this way. It really feels like there's a lot of energy that's been put into it."

The ASK List

Employees who wish to speak up about workplace conduct or ethical concerns have a range of resources available to them. Internally, we refer to this list of resources as "The ASK List," and we invite employees to reach out to those on the list they are most comfortable contacting:

- The employee's manager
- Another manager the employee trusts
- Any member of the Way2Play Team
- Any member of HR
- Any member of the Law Department
- The Integrity Line, which is third-party operated and allows for anonymous reporting

In addition to the resources above, any employee can reach out to a Way2Play Hero to understand more about their reporting options.

POLITICAL
ACTIVITIES

For more information about how Activision Blizzard participates in public debate in the U.S. through direct and indirect advocacy please refer to our Political Activities Disclosures online.

Political Involvement Policy

As stated in our Code of Conduct, our resources may not be used for employees' personal political activities, and lobbying activities are permitted only in compliance with applicable law and by individuals designated to represent the Company in such capacity.

Direct Advocacy

Activision Blizzard engages with government officials and policymakers at the federal, state, and local levels on legislation, regulations, and policies that affect our business and operations. We also occasionally retain outside consultants to support our engagement with government officials and policymakers. Activision Blizzard complies with all federal, state and local lobbying regulations that require entities and individuals who engage in public policy advocacy to register and disclose relevant expenditures.

Political Contributions & Expenditures

Activision Blizzard does not make direct political contributions to individual candidates, parties, committees, or IRS Section 527 entities or to influence the outcome of campaigns or ballot measures, nor do we directly pay for any independent expenditure or electioneering communication (as those are defined by law). Activision Blizzard does not make payments to 501(c)(4) tax-exempt organizations that the recipient may use for political purposes and we do not have a political action committee. If we decide, on an exception basis and with the prior approval of our Chief Executive Officer, to make a direct political contribution, we will disclose that contribution in our ESG reports.

Indirect Advocacy & Trade Association Memberships

We belong to several trade associations, including the Entertainment Software Association (the "ESA") in the U.S. These bodies have taken stances on legislative matters and engaged in lobbying on issues affecting the video game industry. Trade associations are independent organizations representing a variety of members; we may not share their political or policy positions. The Company's membership and participation in these associations is reported annually to the Nominating and Corporate Governance Committee.

According to the ESA, during the ESA's 2022 fiscal year, $41,229 of the Company's membership dues were used for political contributions or expenditure and $674,973 of the Company's membership dues were used for Section 162 lobbying expenses. No other dues paid by the Company to any other U.S. trade association or similar tax-exempt organization that received at least $25,000 in dues from us during 2022 were used for political contributions or expenditures. No portion of the Company's membership dues were used for payments to tax-exempt organizations, such as 501(c)(4)s, that the recipient may use for political purposes.

ABOUT
THIS REPORT

Activision Blizzard understands that reporting on ESG matters is of increasing importance to many of our stakeholders, especially as embedded ESG initiatives, policies, strategies, and goals can help mitigate risk, reduce costs, protect brand value, and identify market opportunities. This report was developed with oversight from and the support of the ESG Steering Committee and cross-functional, enterprise-wide ESG working groups. This work was informed by the Sustainability Accounting Standards Board (SASB) reporting framework, specifically that for the Technology and Communications: Software and IT Services industry, as well as the Task Force on Climate-Related Financial Disclosures (TCFD) framework. In some of our disclosures, in particular the environmental section, we relied on information provided and representations made by various third parties, including owners of the cloud computing services, data centers, and property landlords we use and other vendors we work with. We are relying on these third parties and the information they provided for this report since we are unable to confirm independently its accuracy or completeness.

This document covers the period January 1, 2022 through December 31, 2022, unless otherwise noted. In addition, unless otherwise noted or unless the context otherwise requires, "Activision Blizzard," "we," "us," "our Company," and "Company" refer to Activision Blizzard, Inc. and its subsidiaries on a consolidated basis.

We take seriously the views of all our stakeholders and actively seek their input. We will revisit and revise our commitments and evolve our programs on an ongoing basis. For any feedback or questions, please contact esg@activision.com.

Cautionary Note Regarding Forward-Looking Statements:

This report contains, or incorporates by reference, statements reflecting our views about our future performance that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements consist of any statement other than a recitation of historical facts and include, but are not limited to:(1) statements of our plans and objectives, including those related to our ESG initiatives and future commitments, including pertaining to championing our people, advancing diverse and inclusive communities, and protecting the planet; (2) statements of future financial or operating performance; (3) statements related to our DE&I plans and goals and our workforce, including regarding enhancing our workplace culture, increasing employee gender diversity or racial and ethnic diversity, improving transparency to our employees, and otherwise attracting and retaining the talent needed to meet our objectives, including pertaining to equal pay for equal work, competitive compensation, and benefits; (4) statements related to inclusive game design and accessibility; (5) statements related to privacy, security, ratings systems, political activities, and commitment to strong corporate governance; (6) statements related to our greenhouse gas emissions goals, decarbonizing and reducing our environmental impact; (7) statements regarding the proposed transaction between Activision Blizzard, Inc. and Microsoft Corporation ("Microsoft") (such transaction, "the proposed transaction with Microsoft"), including any statements regarding the expected timetable for completing the proposed transaction with Microsoft, the ability to complete the proposed transaction with Microsoft, and the expected benefits of the proposed transaction with Microsoft; and (8) statements of assumptions underlying such statements. Activision Blizzard generally uses words such as "outlook," "forecast," "will," "could," "should," "would," "to be," "plan," "aims," "believes," "may," "might," "expects," "intends," "seeks," "anticipates," "estimate," "future," "positioned," "potential," "project," "remain," "scheduled," "set to," "subject to," "upcoming," and the negative version of these words and other similar words and expressions to help identify forward-looking statements. Forward-looking statements are subject to business and economic risks, reflect management's current expectations, estimates, and projections about our business, and are inherently uncertain and difficult to predict.

We caution that a number of important factors, many of which are beyond our control, could cause our actual future results and other future circumstances to differ

materially from those expressed in any forward-looking statements. Such factors include, but are not limited to: the risk that the proposed transaction with Microsoft may not be completed in a timely manner or at all, which may adversely affect our business and the price of our common stock; the failure to satisfy the conditions to the consummation of the proposed transaction with Microsoft, including the receipt of certain governmental and regulatory approvals (which may or may not be received on a timely basis or at all); the occurrence of any event, change, or other circumstance that could give rise to the termination of the Agreement and Plan of Merger, dated as of January 18, 2022, by and among Activision Blizzard, Microsoft, and Anchorage Merger Sub Inc., a wholly owned subsidiary of Microsoft (the "Microsoft Merger Agreement"); the effect of the announcement or pendency of the proposed transaction with Microsoft on our business relationships, operating results, and business generally; risks that the proposed transaction with Microsoft disrupts our current plans and operations and potential difficulties in employee retention and recruitment as a result of the proposed transaction with Microsoft; risks related to diverting management's attention from ongoing business operations; the outcome of any legal proceedings that have been or may be instituted against us related to the Microsoft Merger Agreement or the transactions contemplated thereby; restrictions during the pendency of the proposed transaction with Microsoft that may impact our ability to pursue certain business opportunities or strategic transactions; uncertainty about current and future economic conditions and other adverse changes in general political conditions in any of the major countries in which we do business; decline in demand for our products and services if general economic conditions decline; fluctuations in currency exchange rates; our ability to deliver popular, high-quality content in a timely manner; negative impacts on our business resulting from concerns regarding our workplace, including associated legal proceedings; our ability to attract, retain, and motivate skilled personnel; future impacts from COVID-19; the level of demand for our games and products; our ability to meet customer expectations with respect to our brands, games, services, and/or business practices; competition; our reliance on a relatively small number of franchises for a significant portion of our revenues and profits; negative impacts from the results of collective bargaining, legal proceedings related to unionization or campaigns by unions directed at our workforce; our ability to adapt to rapid technological change and allocate our resources accordingly; the increasing importance of digital sales and the risks of

that business model; our ability to effectively manage the scope and complexity of our business, including risks related to our professional esports business model; our reliance on third-party platforms, which are also our competitors, for the distribution of products; our dependence on the success and availability of video game consoles manufactured by third parties and our ability to develop commercially successful products for these consoles; the increasing importance of free-to-play games and the risks of that business model; the risks and uncertainties of conducting business outside the U.S., including the need for regulatory approval to operate, the relatively weaker protection for our intellectual property rights, and the impact of cultural differences on consumer preferences; insolvency or business failure of any of our business partners; the importance of retail sales to our business and the risks of that business model; any difficulties in integrating acquired businesses or realizing the anticipated benefits of strategic transactions; seasonality in the sale of our products; fluctuation in our recurring business; the risk of distributors, retailers, development, and licensing partners or other third parties being unable to honor their commitments or otherwise putting our brand at risk; our reliance on tools and technologies owned by third parties; our use of open source software; risks associated with undisclosed content or features in our games; impact of objectionable consumer- or other third-party-created content on our operating results or reputation; outages, disruptions, or degradations in our services, products, and/or technological infrastructure; cybersecurity-related attacks, significant data breaches, fraudulent activity, or disruption of our information technology systems or networks; significant disruption during our live events; catastrophic events; climate change; provisions in our corporate documents and Delaware state law that could delay or prevent a change of control; other legal proceedings; increasing regulation in key territories over our business, products, and distribution; changes in government regulation relating to the Internet; our compliance with evolving data privacy laws and regulations; scrutiny regarding the appropriateness of the content in our games and our ability to receive target ratings for certain titles; changes in tax rates and/or tax laws and exposure to additional tax liabilities; changes in financial accounting standards or the application of existing or future standards as our business evolves; and the other factors included in "Risk Factors" included in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the U.S. Securities and Exchange Commission on February 23, 2023.

SASB[19]
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Technology and Communications–Software and IT Services

METRIC	2022
Revenue	In 2022, Activision Blizzard generated $7.528 billion in revenue, 88% of which was from digital channels.
Total workforce	As of December 31, 2022, Activision Blizzard had approximately 13,000 full-time and part-time employees. These employees approximately break down by segment as follows: Activision ....43% Blizzard ....35% King ....15% Other ....7% These employees approximately break down by region as follows: North America ....72% Europe, Middle East, and Africa .....22% Asia Pacific 6%
Entity-defined measure of user activity (monthly active users [MAUs]) SASB: TC-IM-000.A	For the quarter ended December 31, 2022, Activision Blizzard had 389 million MAUs, which breaks down by segment as follows: Activision ....111 million Blizzard ....45 million King ....233 million
Net Bookings[20]	For the year ended December 31, 2022, Activision Blizzard's net bookings were $8.51 billion, over half of which were from in-game net bookings. Segment net revenue for the year ended December 31, 2022 was as follows: Activision ....$3.28 billion Blizzard ....$2.01 billion King ....$2.79 billion
Data processing capacity, and percentage which is outsourced SASB: TC-SI-000.B	Not Reported
Amount of data storage, and percentage which is outsourced SASB: TC-SI-000.C	Not Reported
Number and location of data centers	As of December 31, 2022, Activision Blizzard utilized 38 data centers. All of Activision Blizzard's data centers were externally managed; we did not own or operate any data centers.
Global square footage of buildings and facilities (excluding data centers)	As of December 31, 2022, Activision Blizzard utilized approximately 2.6 million square feet across 128 leased and 1 owned property that is approximately 44 thousand square feet.

[19] Sustainability Accounting Standards Board 21 Net bookings is an operating metric that is defined as the net amount of products and services sold digitally or sold-in physically in the period, and includes license fees, merchandise, and publisher incentives, among others, and is equal to net revenues excluding the impact from deferrals. [20] Net bookings is an operating metric that is defined as the net amount of products and services sold digitally or sold-in physically in the period, and includes license fees, merchandise, and publisher incentives, among others, and is equal to net revenues excluding the impact from deferrals.

TOPIC	Accounting Metric	Unit of Measure	Information
Environmental Footprint of Hardware Infrastructure	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable TC-SI-130a.1	Gigajoules (GJ), Percentage (%)	Total Energy Consumed: 348,047.57 GJ, of which 65% is grid electricity, and 54% of total energy consumed is renewable.
	(1) Total water withdrawn, (2) total water consumed, (3) percentage of each in regions with High or Extremely High Baseline Water Stress TC-SI 130a.2	Cubic meters (m³), Percentage (%)	Total Water Withdrawn: 37,942.13 m³, of which 16% comes from regions with high water stress, and 40% comes from regions with extremely high water stress.
	Discussion of the integration of environmental considerations into strategic planning for data center needs TC-SI-130a.3	n / a	When selecting data centers, we prioritize environmental impact and efficiency throughout our planning as detailed in our ''Strategic Planning for Data Center Needs'' section.
Data Privacy and Freedom of Expression	Description of policies and practices relating to behavioral advertising and user privacy TC-SI-220a.1	n / a	See "Privacy & Ratings" section of this report.
	Number of users whose information is used for secondary purposes TC-SI-220a.2	Number	Activision Blizzard does not currently track this information.
	Total amount of monetary losses as a result of legal proceedings associated with user privacy TC-SI-220a.3	Reporting Currency	In 2022, Activision Blizzard suffered no material losses as a result of legal proceedings associated with user privacy. If and when we have material losses, they will be reported in our Annual Reports on Form 10-K.
	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure TC-SI-220a.4	Number, Percentage (%)	At this time, we do not track this metric. Given our business, we do not believe that it would be a significant number.
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring TC-SI-220a.5	n / a	At this time, we do not track this metric. Given our business, we do not believe that it would be a significant number.

TOPIC	Accounting Metric	Unit of Measure	Information
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected TC-SI-230a.1	Number, Percentage (%)	Not Reported
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards TC-SI-230a.2	n / a	See "Privacy & Ratings" section of this report.
Recruiting and Managing a Global, Diverse, and Skilled Workforce	Percentage of employees that are (1) foreign nationals and (2) located offshore TC-SI-230a.3	Percentage (%)	Foreign Nationals.................16% Employees Located Offshore 36%
	Employee engagement as a percentage TC-SI-330a.2	Percentage (%)	72%
	Percentage of gender and racial / ethnic group representation for (1) management, (2) technical staff, and (3) all other employees TC-SI-330a.3	Percentage (%)	

Representation (year-over-year)[21,e]:

Gender[h] (Self-Reported As)	Overall[b]		People Leaders[c,f]		Technical Roles[d,g]	
	FY21	FY22	FY21	FY22	FY21	FY22
Man	76%	73%	79%	75%	81%	78%
Woman	24%	25%	21%	25%	19%	20%
Non-binary Person	<1%	1%	<1%	<1%	<1%	1%
Something Else	<1%	<1%	<1%	<1%	<1%	<1%

Race and Ethnicity (US)[a]	Overall[b]		People Leaders[c,f]		Technical Roles[d,g]	
	FY21	FY22	FY21	FY22	FY21	FY22
White	64%	61%	70%	68%	67%	64%
Asian	20%	19%	16%	17%	19%	18%
Hispanic or Latinx	8%	9%	7%	7%	7%	9%
Two or More Races	5%	6%	4%	4%	5%	6%
Black or African American	2%	4%	2%	2%	2%	3%
Native Hawaiian or Pacific Islander	<1%	<1%	<1%	<1%	<1%	<1%
Native American or Alaska Native	<1%	<1%	<1%	<1%	<1%	<1%

[21] The data included in this presentation represent our best estimates based on data included in our systems. All figures shown above pulled as of 05/08/2023. [a] Our gender data is global, where permissible by local law, and represents employees' self-selection between fields of "female," "male," "non-binary," "other," and "I do not wish to disclose." In calculating gender representation, we consider the percentage of known employees (i.e., those who have not selected "I do not wish to disclose," or have not identified in any way). Category language is changed in the visual data with "female" displayed as "woman," "male" displayed as "man," and "other" displayed as "something else." [b] Our race and ethnicity data is limited to the U.S. and, like our gender data, represents employees' self-selection. In this case, the fields from which employees select include "White," "two or more races," "Hispanic or Latino," "American Indian or Alaska Native," "Black or African American," "Asian," "Native Hawaiian or Other Pacific Islander," and "prefer not to say." Again, in calculating ethnicity representation, we consider the percentage of known employees (i.e., excluding those who have selected "prefer not to say" or have not identified in any way). Category language is changed in the visual data with "Hispanic or Latino" displayed as "Hispanic or Latinx," "Native Hawaiian or Other Pacific Islander" displayed as "Native Hawaiian or Pacific Islander," and "American Indian or Alaska Native" displayed as "Native American or Alaska Native." [c] Overall data reflects regular, non-temporary employees with employee contract type "regular," that were employed as of 12/31 of the respective year. [d] People Leaders reflects regular, non-temporary employees with employee contract type "regular," that were employed as of 12/31 of the respective year and have at least one employee reporting to them. [e] Technical Roles reflects regular, non-temporary employees with employee contract type "regular," that were employed as of 12/31 of the respective year and have a cost center associated with development of games. [f] We began tracking the category of "non-binary" beginning in 2021.

TOPIC	Accounting Metric	Unit of Measure	Code	Information
Recruiting & Managing a Global, Diverse, & Skilled Workforce	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Reporting currency	TC-SI-520a.1	In 2022, Activision Blizzard suffered no material losses related to anti-competitive behavior regulations. If and when we have material losses, they will be reported in our Annual Reports on Form 10-K.
Managing Systemic Risks From Technology Disruptions	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	Number, Days	TC-SI-550a.1	While rare, there are times when our products may experience temporary, unplanned service disruptions due to unforeseen circumstances in our tech stack. Typically, these outages are short, limited to one region, game, or country and do not impact the majority of our players.
	Provide description of business continuity risks related to disruptions of operations	n / a	TC-SI-550a.2	For information concerning the Company's management of systemic risks from technological disruptions, please refer to our most recent Annual Reports on Form 10-K, including the Risk Factors section contained in that report.

TCFD
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GOVERNANCE

(a) Describe the board's oversight of climate-related risks and opportunities.	The Board assumes an active role in overseeing the overall risk management process, including through oversight of the Company's enterprise risk assessment, and in providing strategic guidance for the Company, while delegating certain risk management oversight functions to its committees, each of which regularly reports to the Board. The Board regularly reviews management's conclusions and recommendations regarding current and future potential strategic enterprise-level risks, as well as the strategies proposed to mitigate such risks, and communicates regularly with management about risk oversight. The Audit Committee plays the primary role in overseeing risk mitigation on behalf of our Board and regularly receives reports from senior management with respect to potential areas of significant risk and our internal controls and mitigation plans with respect to those risks. The Nominating and Corporate Governance Committee has specific responsibility for climate-related risks, under its ESG mandate.
(b) Describe management's role in assessing and managing climate-related risks and opportunities.	Management oversees our day-to-day risk management processes and conducts risk assessments to identify key financial and strategic risks and presents those results to our Board. Once direction is provided by our ESG Steering Committee, Management regularly communicates with our Board and relevant Board committees on specific risk-related topics, including climate-related risks and opportunities. The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact (or potential impact) of that information. For information concerning the Company's management of climate risks, please refer to our most recent Annual Report on Form 10-K, including the Risk Factors section contained in that report.

STRATEGY

(a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	The ongoing low-moderate risks that could severely impact Activision Blizzard's people and delivery of digital products are disruptions caused by climate related events such as fires, flood, blizzards and hurricanes. Risks related to climate change on our planet are increasing in both impact and type. There may be business or operational risk due to the significant impacts that climate change could pose to our mobile infrastructure, the cost of energy, employees' lives, consumers' lives, our supply chain, our data centers or other operational disruptions from climate change-related weather events. In addition, rapidly changing customer and regulatory requirements, along with stakeholder expectations, to reduce carbon emissions and otherwise to reduce our environmental footprint could increase our costs of operations to comply or present a risk of loss of business, if we are not able to meet those requirements. Medium- to long-term climate-related opportunities include decarbonization efforts that could drive greater resource efficiency.
(b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	We do not expect significant near-term impacts to our operations as a result of climate change, but long-term impacts remain unknown.
(c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	In 2022, we made a commitment to allocate necessary resources towards our goal of net zero carbon emissions by 2050. Our company has disclosed our Scope 1,2 and 3 carbon emissions in the effort to achieve our decarbonization target by 2050. As a digital media entertainment company, our industry does not typically conduct climate-related scenario analyses.

RISK MANAGEMENT

(a) Describe the organization's processes for identifying and assessing climate-related risks.	Our Corporate Risk department performs an Enterprise Risk Assessment, which includes appraisal of climate-related risks and opportunities. The results are delivered to our Board of Directors, which is responsible for overseeing the Company's operational risk management, including climate-related risks and opportunities.
(b) Describe the organization's processes for managing climate-related risks.	Please see our responses to the first two questions in the Governance section of this Index.
(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Once our Enterprise Risk Management Assessment is presented to the Board with the prioritized significant risk summary and mitigation plans, approvals are attained and the initiatives are implemented.

METRICS & TARGETS

(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

Please see the Protecting the Planet section of our 2022 ESG Report where we report on our scope 1, 2 and 3 carbon emissions and other environmental footprint metrics.

(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Please see our Protecting the Planet section of our 2022 ESG Report where we discuss our net zero carbon emissions target by 2050. In 2023, we plan to submit our near-term carbon reduction and long-term net zero targets for SBTi validation.