



# AFL-CIO

AMERICA'S UNIONS

**American Federation  
of Labor and  
Congress of Industrial  
Organizations**

815 16th St. NW  
Washington, DC 20006  
202-637-5000  
aflcio.org

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*Via E-Mail*

February 26, 2021

Office of Chief Counsel  
Division of Corporation Finance  
U.S. Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549

**Re: Activision Blizzard, Inc.'s Request to Exclude a Shareholder  
Proposal Submitted by the AFL-CIO Reserve Fund**

Dear Sir or Madam:

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, the AFL-CIO Reserve Fund and the UAW Retiree Medical Benefits Trust (collectively, the "Funds") submitted a shareholder proposal (the "Proposal") to Activision Blizzard, Inc. (the "Company") for a vote at the Company's 2021 annual meeting of stockholders. In a letter to the staff of the Division of Corporation Finance (the "Division Staff") dated January 19, 2021 (the "No-Action Request"), the Company's representative from Wilmer Cutler Pickering Hale and Dorr LLP ("WilmerHale") stated that the Company intends to omit the Proposal from its proxy materials to be distributed to shareholders in connection with the Company's 2021 annual meeting.

The Proposal urges the adoption of "a policy for improving workforce diversity by requiring that the initial pool of candidates from which new employees are hired by the Company shall include, but need not be limited to, qualified women and minority candidates (a "Diverse Candidate Search Policy")." The No-Action Request asks the Division Staff to concur that it will take no action if the Company excludes the Proposal in reliance on Rule 14a-8(i)(7) on the grounds that the Proposal the basis that the Proposal relates to the Company's ordinary business operations. For the reasons set forth below, the Proposal addresses a social policy issue that transcends ordinary business, and therefore may not be excluded from the Company's proxy materials under Rule 14a-8(i)(7).

The Company's request for relief should be denied because the issue of workforce diversity is a significant social policy issue that transcends ordinary business matters. As the Division Staff stated in Exchange Act Release No. 34-40018 (May 21, 1998), employment-related shareholder proposals that focus on

sufficiently significant social policy issues may transcend the day-to-day business matters and therefore be appropriate for a shareholder vote. In reversing the *Cracker Barrel Old Country Stores, Inc.* (October 13, 1992) position on employment-related proposals, Release No. 34-40018 noted that the Division Staff's definition of significant social policy issues adjusts over time to reflect changing societal views.

The proposal in *Cracker Barrel* sought to change the company's employment policies to adopt non-discriminatory policies relating to sexual orientation. Like the proposal in *Cracker Barrel*, the Funds' Proposal focuses on the Company's employment policies as they pertain to discrimination. Specifically, the Proposal requests the adoption of a diverse candidate search policy to include qualified women and minority candidates in the initial pool of candidates. As noted by the Proposal's supporting statement, "[t]he Black Lives Matter and #MeToo movements have highlighted the social policy significance of diversity, equity and inclusion."

The Proposal is modeled on the National Football League ("NFL") requirement for NFL teams to consider diverse candidates for head coach positions, a policy that was originally proposed by Art Rooney, the Pittsburgh Steelers owner and former chairman of the NFL's Workplace Diversity Committee. The NFL's "Rooney Rule" was adopted in 2003 to address concerns that the league has few coaches of color while most of the league's players are African American.<sup>1</sup> Last year, the NFL expanded the applicability of its Rooney Rule policy to cover a wide range of positions in order to provide additional employment opportunities for minorities and women.<sup>2</sup>

The Rooney Rule has itself become a significant social policy issue as measured by widespread media and investor attention. A Google search for the term "Rooney Rule" yields over half a million webpage results, and a Google News search for "Rooney Rule" returns approximately 51,000 news stories. Similarly, a Thomson Reuters Westlaw search of its news database for the "Rooney Rule" returns 7,132 articles. In 2020, Institutional Shareholder Services found that 58 percent of surveyed investors would support shareholder proposals urging a Rooney Rule policy for senior positions.<sup>3</sup> Glass Lewis also updated its 2021 proxy voting guidelines to consider whether a company has adopted a Rooney Rule policy for its director nominees.<sup>4</sup>

Regarding the Rooney Rule, the No Action Request states that "we are not aware that this approach has been implemented more generally at other companies." In reality, diverse candidate search policies are increasingly common. Many companies now have Rooney Rule requirements

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<sup>1</sup> Scott Stump, "Most NFL Players Are Black. So Why Aren't There More Black Head Coaches?," NBC News, September 15, 2020, <https://www.nbcnews.com/news/nbcblk/most-nfl-players-are-black-so-why-aren-t-there-n1240131>.

<sup>2</sup> "NFL Announces New Steps to Enhance Diversity," National Football League, May 19, 2020, <https://nflcommunications.com/Pages/NFL-ANNOUNCES-NEW-STEPS-TO-ENHANCE-DIVERSITY-.aspx>.

<sup>3</sup> "2020 Global Benchmark Policy Survey – Summary of Results," Institutional Shareholder Services, September 25, 2020, p. 7, <https://www.issgovernance.com/file/publications/2020-global-policy-survey-summary-of-results.pdf>.

<sup>4</sup> "2021 Proxy Paper Guidelines – United States," Glass Lewis, 2020, p. 27, <https://www.glasslewis.com/wp-content/uploads/2020/11/US-Voting-Guidelines-GL.pdf>.

for their director nomination process.<sup>5</sup> Nor is the Rooney Rule limited to corporate boardrooms. The AFL-CIO Reserve Fund recently withdrew similar shareholder proposals requesting a diverse candidate search policy for new employees at Wells Fargo, Bank of America, Citigroup, JPMorgan Chase, and US Bancorp after each bank agreed to disclose its diverse candidate search policies for employee hires.<sup>6</sup>

The legal profession has also embraced diverse candidate search policies. In fact, the Company's own outside counsel WilmerHale was one of the first law firms to adopt a diverse candidate search policy for its leadership roles. Named after Arabella Mansfield, the first woman admitted to the bar in the United States, the "Mansfield Rule" requires consideration of candidate pools that are at least 30 percent women or minority attorneys.<sup>7</sup> For the past three years, WilmerHale has achieved Mansfield Certification Plus status according to Diversity Lab.<sup>8</sup> The Mansfield Rule has also been adopted by dozens of corporate legal departments.<sup>9</sup>

The Division Staff has previously recognized that shareholder proposals may address a company's employment policies so long as the thrust and focus of the proposal is a significant social policy issue. For example, in *Amazon.com, Inc.* (March 14, 2017), the Division Staff refused to concur with the exclusion of a proposal that requested a report on the risk of racial discrimination that may result from the use of criminal background checks in hiring and employment decisions. In *CBRE Group, Inc.* (March 6, 2019), the Division Staff refused to concur with the exclusion of a proposal that requested a report on the impact of the company's mandatory arbitration policy on claims of sexual harassment by company employees.

Staff Legal Bulletin No. 14I (November 1, 2017) explains that whether the significant social policy exception applies depends, in part, on the connection between the issue and the company's business operations. As a leading video game developer and publisher, the Company's business is dependent on the diverse talent of its workforce. The Company itself has said that "[d]iversity fuels innovation" and that "[i]n order to deliver epic and engaging

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<sup>5</sup> "Midwest Investors Diversity Initiative Sees More Women and People of Color Gain Board Seats in 2020," Midwest Investors Diversity Initiative, August 11, 2020, [https://illinoistreasurergovprod.blob.core.usgovcloudapi.net/twocms/media/doc/2019-2020%20midi%20press%20release%20\(8.11.2020\).pdf](https://illinoistreasurergovprod.blob.core.usgovcloudapi.net/twocms/media/doc/2019-2020%20midi%20press%20release%20(8.11.2020).pdf).

<sup>6</sup> Ben Eisen, "Biggest U.S. Banks Embrace 'Rooney Rule' Policies in Diversity Hiring Push," Wall Street Journal, January 26, 2021, <https://www.wsj.com/articles/biggest-u-s-banks-embrace-rooney-rule-policies-in-diversity-hiring-push-11611686889>.

<sup>7</sup> "44 Law Firms Pilot Version of Rooney Rule to Boost Diversity in Leadership Ranks," Diversity Lab, September 25, 2017, <https://www.diversitylab.com/wp-content/uploads/2015/08/Mansfield-Rule-Press-Release-Updated-9-25-17-Diversity-Lab.pdf>.

<sup>8</sup> "WilmerHale Received Mansfield 3.0 Plus Status for Achieving Key Diversity Goals," WilmerHale, September 15, 2020, <https://www.wilmerhale.com/en/insights/news/20200915-wilmerhale-received-mansfield-3-0-plus-status-for-achieving-key-diversity-goals>.

<sup>9</sup> "19 Legal Departments Announced as Mansfield Certified for 2019-2020 Inaugural Pilot & 54 Sign On to Participate in 2.0 Version," Diversity Lab, August 27, 2020, <https://www.diversitylab.com/wp-content/uploads/2020/08/FINAL-MRLD-2-Press-Release-For-Distribution-August-27-2020.pdf>.

entertainment for a diverse, growing global audience, our workforce must reflect these communities and have the opportunities and resources to unlock their potential.”<sup>10</sup>

The underrepresentation of women and certain minority groups in the video game industry illustrates the connection between the Proposal and the Company’s business operations. According to a 2019 survey by the International Game Developers Association, 71 percent of game developers are men and 69 percent are white.<sup>11</sup> As shown by the #GamerGate controversy, the role of women in the video game industry has received particular attention. In 2014, female game developers and journalists were subjected to online threats and harassment for expressing concerns regarding the portrayal of women in videogames.<sup>12</sup> More recently in 2020, female professional gamers have reported widespread sexism and harassment.<sup>13</sup>

The Company’s own actions illustrate that adopting a diverse candidate hiring policy is both feasible and will be beneficial for the Company’s business operations. The No Action Request acknowledges that the Company has adopted a Rooney Rule requirement for its independent director nominees and for its Chief Executive Officer position. In recognition of the importance of workforce diversity to the Company’s business operations, the Company has also announced its intention to disclose information on diversity and inclusion as part of its first annual ESG report in 2021.<sup>14</sup> These actions are commendable, and the Proposal seeks to expand the use of diverse candidate search policies to promote diversity throughout the Company.

Finally, the Proposal does not seek to micromanage the Company regarding day-to-day decisions by seeking to impose specific timeframes or to impose specific methods for implementing complex policies. Notably, the Proposal does not dictate who should be hired, only that the Company should consider diverse candidates. Nor does the Proposal request any specific timeframe for implementation of the requested policy. In addition, the Proposal does not define the diversity criteria to be used in such a policy, stating that the Proposal “is intended to provide flexibility to the Board of Directors to design the specific terms of a Diverse Candidate Search Policy with respect to race, ethnicity, gender, sexual orientation, disability and other groups.”

For these reasons, the Company has not met its burden of demonstrating that it is entitled to exclude the Proposal from its proxy materials under Rule 14a-8(i)(7) on ordinary business

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<sup>10</sup> “Diversity, Equity & Inclusion,” Activision Blizzard, <https://www.activisionblizzard.com/diversity-inclusion> (accessed on February 26, 2021).

<sup>11</sup> “Developer Satisfaction Survey 2019 Summary Report,” International Game Developers Association, November 20, 2019, <https://s3-us-east-2.amazonaws.com/igda-website/wp-content/uploads/2020/01/29093706/IGDA-DSS-2019-Summary-Report-Nov-20-2019.pdf>.

<sup>12</sup> Nick Wingfield, “Feminist Critics of Video Games Facing Threats in ‘GamerGate’ Campaign,” New York Times, October 15, 2014, <https://www.nytimes.com/2014/10/16/technology/gamergate-women-video-game-threats-anita-sarkeesian.html>.

<sup>13</sup> Taylor Lorenz and Kellen Browning, “Dozens of Women in Gaming Speak Out About Sexism and Harassment,” New York Times, June 23, 2020, <https://www.nytimes.com/2020/06/23/style/women-gaming-streaming-harassment-sexism-twitch.html>.

<sup>14</sup> “Activision Blizzard Environmental, Social and Governance Overview,” Activision Blizzard, June 1, 2020, <https://investor.activision.com/static-files/28633229-f352-4e29-ad3d-b07da5c331d9>.

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Division of Corporation Finance  
February 26, 2021  
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grounds. The adoption of a diverse candidate search policy for employee hiring is a significant social policy issue that transcends the ordinary business matters of the Company, and the Proposal does not otherwise seek to micromanage the Company. Because the Company has failed to meet its burden of demonstrating that it is entitled to exclude the Proposal, the Division Staff should refuse to concur that it will take no action if the Company excludes the Proposal. If you have any questions, please contact me at (202) 637-5152 or [brees@aficio.org](mailto:brees@aficio.org).

Sincerely,

A handwritten signature in black ink, appearing to read 'B. J. Rees', with a stylized flourish at the end.

Brandon J. Rees  
Deputy Director, Corporations and Capital Markets

cc: Meredith Cross, WilmerHale  
Jeffery Brown, Activision Blizzard, Inc.  
Meredith Miller, UAW Retiree Medical Benefits Trust

Meredith B. Cross

+1 202 663 6644 (t)  
+1 202 663 6363 (f)  
meredith.cross@wilmerhale.com

January 19, 2021

**Via E-mail to shareholderproposals@sec.gov**

U.S. Securities and Exchange Commission  
Division of Corporation Finance  
Office of Chief Counsel  
100 F Street, NE  
Washington, DC 20549

**Re: Activision Blizzard, Inc.  
Exclusion of Shareholder Proposal by the AFL-CIO Reserve Fund and UAW Retiree  
Medical Benefits Trust**

Ladies and Gentlemen:

We are writing on behalf of our client, Activision Blizzard, Inc. (the “Company”), to inform you of the Company’s intention to exclude from its proxy statement and proxy to be filed and distributed in connection with its 2021 annual meeting of shareholders (the “Proxy Materials”) the enclosed shareholder proposal and supporting statement (collectively, the “Proposal”) submitted by the AFL-CIO Reserve Fund and UAW Retiree Medical Benefits Trust (the “Proponents”) requesting that the Company adopt a “Diverse Candidate Search Policy” for hiring new employees.

The Company respectfully requests that the staff of the Division of Corporation Finance (the “Staff”) of the Securities and Exchange Commission (the “Commission”) advise the Company that it will not recommend any enforcement action to the Commission if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(7) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on the basis that the Proposal relates to the Company’s ordinary business operations.

Pursuant to Exchange Act Rule 14a-8(j) and Staff Legal Bulletin No. 14D (November 7, 2008) (“SLB 14D”), the Company is submitting electronically to the Commission this letter, and the Proposal and related correspondence (attached as Exhibit A to this letter), and is concurrently sending a copy to the Proponents, no later than eighty calendar days before the Company intends to file its definitive Proxy Materials with the Commission.

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## **Background**

On December 14, 2020, the Company first received the Proposal from the Proponents, which states as follows:

Resolved: Shareholders request that the Board of Directors of Activision Blizzard, Inc. (the “Company”) adopt a policy for improving workforce diversity by requiring that the initial pool of candidates from which new employees are hired by the Company shall include, but need not be limited to, qualified women and minority candidates (a “Diverse Candidate Search Policy”).

## **Supporting Statement**

A diverse workforce at all levels of a company can enhance long-term company performance. Workforce diversity provides a competitive advantage to companies by helping to attract and retain talented employees, strengthening customer relationships, increasing employee satisfaction, improving corporate decision-making, and enhancing corporate reputations.

According to a recent study by McKinsey & Company, there is a “positive, statistically significant correlation between company financial outperformance and diversity, on the dimensions of both gender and ethnicity. This is evident at different levels of the organization, particularly on executive teams” (Diversity Wins: How Inclusion Matters, May 2020).

The purpose of the requested Diverse Candidate Search Policy is to assure that the Company’s recruitment pools for external hires are adequately diverse. This proposal is intended to provide flexibility to the Board of Directors to design the specific terms of a Diverse Candidate Search Policy with respect to race, ethnicity, gender, sexual orientation, disability and other groups.

This proposal is modeled on the National Football League’s adoption of the “Rooney Rule” which requires teams to interview minority candidates for head coaching and other senior positions. The Rooney Rule does not dictate who should be hired, but instead widens the talent pool by requiring a diverse set of candidates for consideration before a hiring decision is made.

We commend the steps that our Company has already taken to promote workforce diversity, equity and inclusion. In our view, adopting a Diverse Candidate Search Policy will complement our Company’s existing efforts. We also believe that a

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Diverse Candidate Search Policy will broaden our Company's access to talent for recruitment and diversify its internal talent pipeline.

The Black Lives Matter and #MeToo movements have highlighted the social policy significance of diversity, equity and inclusion. Many companies have also embraced the business case for promoting workforce diversity. We believe that our Company can further enhance its own diversity efforts by adopting a Diverse Candidate Search Policy as requested by this proposal.

For these reasons, we urge shareholders to vote for this proposal.

### **Basis for Exclusion**

#### ***The Proposal May Be Excluded Pursuant to Rule 14a-8(i)(7)***

Rule 14a-8(i)(7) permits a company to exclude a shareholder proposal if the proposal "deals with a matter relating to the company's ordinary business operations." The underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting." SEC Release No. 34-40018 (May 21, 1998) (the "1998 Release"). As set out in the 1998 Release, there are two "central considerations" underlying the ordinary business exclusion. One consideration is that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." The other consideration is that a proposal should not "seek[] to 'micro-manage' the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment." We believe the Proposal implicates both of these considerations.

#### ***The Proposal May Be Omitted Because It Relates to Ordinary Business Matters of Managing the Company's Workforce and Policies Concerning the Company's Employees***

As noted by the Proponents, the Company has implemented a Rooney Rule policy for new independent director nominees and any new CEO position. The Company takes matters of diversity seriously and is committed to building and sustaining a culture of belonging, where everyone thrives and diversity drives business value and growth. While the Company has implemented a Rooney Rule policy as envisioned, implementing a policy that would extend such an approach to all hiring decisions amounts to an unworkable encroachment on the Company's ability to run its business and compete for talent in a highly competitive, fast-moving market.



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Further, we are not aware that this approach has been implemented more generally at other companies, or that a shareholder proposal has been presented to shareholders to this effect.

The Proposal may be excluded in reliance on Rule 14a-8(i)(7) because the Proposal relates to managing the Company's workforce, specifically the ordinary business matter of hiring new employees. As a leading global developer and publisher of interactive entertainment content and services, the Company employs nearly 11,000 full-time and part-time employees, and its hiring decisions form a fundamental part of the day-to-day management of the Company.

Consistent with the 1998 Release, which noted "the management of the workforce, such as the hiring, promotion, and termination of employees" is an ordinary business matter, the Staff has long held that shareholder proposals relating to the management of a company's workforce, including the relationship with and policies concerning its employees, are excludable pursuant to Rule 14a-8(i)(7). As noted above, we are not aware of any precedent addressing potential exclusion of a proposal like the Proposal.<sup>1</sup> Accordingly, we look to precedent addressing similar matters in management of the workforce, which clearly demonstrates that this type of proposal is excludible as ordinary business under Rule 14a-8(i)(7).

For example, in *Merck & Co., Inc.* (March 6, 2015), the Staff concurred in excluding a proposal pursuant to Rule 14a-8(i)(7) requesting that the company fill only entry-level positions with outside candidates and re-introduce a policy of developing individuals for higher level research and management positions to promote from within, on the basis that the "the proposal relates to procedures for hiring and promoting employees [and that] [p]roposals concerning a company's management of its workforce are generally excludable under rule 14a-8(i)(7)." More recently, the Staff concurred in excluding a proposal pursuant to Rule 14a-8(i)(7) that requested a report evaluating the risk of discrimination that may result from company policies and practices concerning workers taking absences from work for personal or family illness, on the basis that the proposal related to the company's ordinary business operations. The Staff noted that the proposal "relates generally to the Company's management of its workforce, and does not focus on an issue that transcends ordinary business matters." *Walmart Inc.* (April 8, 2019); *see also* *Alphabet Inc.* and *salesforce.com, inc.* (April 9, 2020) and *Apple Inc.* (December 20, 2019) (in each case, concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting a "public report detailing the potential risks associated with omitting 'viewpoint' and 'ideology' from [each company's] written equal employment opportunity (EEO) policy," where each company argued that the proposal related to the management of the company's workforce); *Starwood Hotels & Resorts Worldwide, Inc.* (February 14, 2012) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requiring management to verify U.S. citizenship for all workers in the U.S.

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<sup>1</sup> We note the pending request for no-action relief submitted by Wells Fargo & Co. on December 26, 2020, concerning a shareholder proposal similar to the Proposal.

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by a stated deadline and that the company minimize required training for foreign workers in the U.S., on the basis that “the proposal relates to procedures for hiring and training employees [and that] [p]roposals concerning a company’s management of its workforce are generally excludable under rule 14a-8(i)(7)”); *Berkshire Hathaway Inc.* (January 31, 2012) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting that employees or associates be dismissed and their agreements be terminated for engaging in certain violations set out in the proposal, on the basis that the proposal “relates to procedures for terminating employees [and that] [p]roposals concerning a company’s management of its workforce are generally excludable under rule 14a-8(i)(7)”); *Northrop Grumman Corporation* (March 18, 2010) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting that the board modify corporate procedures to improve the transparency of educational status of the RIF review process, on the basis that “the proposal relates to procedures for terminating employees [and that] [p]roposals concerning a company’s management of its workforce are generally excludable under rule 14a-8(i)(7)”); *National Instruments Corporation* (March 5, 2009) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting adoption and disclosure of “written and detailed succession planning policy” that includes features described in the proposal, on the basis that the proposal relates “to NI’s ordinary business operations (i.e., the termination, hiring, or promotion of employees)”); *Wells Fargo & Co.* (February 22, 2008) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting adoption of a policy to prohibit employing any individual within one year of that individual’s employment by a credit rating agency, on the basis that the proposal relates “to Wells Fargo’s ordinary business operations (i.e., the termination, hiring, or promotion of employees)”); *Consolidated Edison, Inc.* (February 24, 2005) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting termination of certain personnel supervisors, on the basis that the proposal relates “to Con Edison’s ordinary business operations (i.e., the termination, hiring, or promotion of employees)”); and *Merck & Co., Inc.* (March 7, 2002) (concurring in exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company maintain a database enabling shareholders to review certain employment information, including employee contributions by category, and appoint of a council to review disputes regarding the filling of certain positions, on the basis that the proposal relates “to Merck’s ordinary business operations (i.e., management of the workforce)”).

In addition, the Staff has consistently concurred that proposals involving the adoption of policies concerning a company’s employees are excludable pursuant to Rule 14a-8(i)(7). For instance, in *Amazon.com, Inc.*, *Yum! Brands, Inc.* and *XPO Logistics Inc.* (March 6, 2019), the Staff concurred in exclusion pursuant to Rule 14a-8(i)(7) of proposals requesting that the companies not engage in any “Inequitable Employment Practice,” including mandatory arbitration of employment-related claims, non-compete agreements with employees, agreements with other companies not to recruit each other’s employees, and non-disclosure agreements in connection with arbitration or settlement of claims. The proposals’ supporting statements evoked risks illuminated by the #MeToo movement to demonstrate the concerns giving rise to the proposals.

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In concurring in exclusion, however, the Staff noted in each case that the proposal “relates generally to the Company’s policies concerning its employees, and does not focus on an issue that transcends ordinary business matters.” The Staff has reached similar conclusions in other proposals. *See, e.g., Bristol-Myers Squibb Company* (January 7, 2015), *YUM! Brands, Inc.* (January 7, 2015, *recon. denied* February 26, 2015), *The Walt Disney Company* (November 24, 2014, *recon. denied* January 5, 2015) and *Costco Wholesale Corporation* (November 14, 2014, *recon. denied* January 5, 2015) (in each case, concurring in exclusion of a proposal requesting adoption of anti-discrimination principles to protect employees’ human right to engage in legal activities related to the political process, civic activities and public policy without retaliation, on the basis that “the proposal relates to [the company’s] policies concerning its employees”).

As the longstanding and well-established precedent described above demonstrates, the Proposal squarely addresses ordinary business matters and is excludable pursuant to Rule 14a-8(i)(7). The Company acknowledges the 1998 Release’s statement that proposals “focusing on sufficiently significant social policy issues (e.g., significant discrimination matters) generally would not be considered to be excludable.” However, the Proposal concerns workforce diversity in the context of addressing the company-wide hiring practices at the Company and does so by dictating a rigid policy requirement to establish candidate pools for each new hire. As the Staff’s no-action letter precedent has held, and as described above, even where a proposal references or addresses a significant policy issue within the ambit of Rule 14a-8(i)(7), such as human rights to engage in political processes without retaliation or concerns about inequitable employment practices stemming from #MeToo concerns, it may be excluded when the proposal also involves ordinary business issues. Decisions regarding the hiring of employees across the Company are multi-faceted, complex and based on a range of factors. These decisions require management to assess a variety of goals and objectives in making these hiring decisions. Diversity is indeed important to the Company, and the Company has stated in its Diversity, Equity & Inclusion statement<sup>2</sup> that “[b]y embedding DE&I practices and programs in the full employee lifecycle, we strive to attract, retain, and grow world-class talent that is reflective of our player communities.” Nevertheless, how the Company designs its hiring practices, including whether to formulate a pool of candidates for each new hire and the candidates that must be included in any such pool before a hiring decision is made, are decisions directly within the purview of management and are the types of tasks “so fundamental to management’s ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight.”

### ***The Proposal May Be Excluded Because It Seeks to Micromanage the Company***

The Proposal also may be excluded in reliance on Rule 14a-8(i)(7) on the basis that it seeks to micromanage the determinations of the Company’s management regarding day-to-day decisions

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<sup>2</sup> <https://www.activisionblizzard.com/diversity-inclusion>.

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and as such is excludable as related to the “ordinary business” of the Company. As the Staff explained in Staff Legal Bulletin 14K (October 16, 2019) (“SLB 14K”), in considering arguments under the micromanagement exclusion, the Staff looks at “whether the proposal seeks intricate detail or imposes a specific strategy, method, action, outcome or timeline for addressing an issue, thereby supplanting the judgment of management and the board. . . . When a proposal prescribes specific actions that the company’s management or the board must undertake without affording them sufficient flexibility or discretion in addressing the complex matter presented by the proposal, the proposal may micromanage the company to such a degree that exclusion of the proposal would be warranted.” The Proposal does precisely that by dictating how the Company should conduct its hiring processes, specifically by instructing that the “initial pool of candidates from which new employees are hired by the Company shall include, but need not be limited to, qualified women and minority candidates.” The Proposal leaves no room for the Company’s management or Board of Directors to exercise discretion in how new hire decisions are structured, and instead asks shareholders to determine how the Company should conduct its hiring decisions for purposes of workplace diversity. The Proposal therefore embodies the type of proposal that the micromanagement prong was designed to address.

In this regard, the Proposal is akin to the shareholder proposal in *CBRE Group, Inc.* (February 14, 2020), which requested that the board “adopt a policy to require that the Company take the necessary steps to waive its mandatory arbitration requirements for employee claims of sexual harassment unless the Board of Directors concludes, after an evaluation using independent evidence, that mandatory arbitration does not deter reporting of sexual harassment by Company employees.” The company argued that the proposal micromanaged the company by dictating the company’s “approach to its complex employment and risk management practices,” and the Staff concurred in exclusion of that proposal pursuant to Rule 14a-8(i)(7) on the basis of micromanagement. Similarly, in *Intel Corporation* (March 15, 2019), the Staff concurred in exclusion pursuant to Rule 14a-8(i)(7) of a proposal requesting that the company include a specific statement in its Global Human Rights Principles about the Pride flag and Gay Pride movement, on the basis that the proposal “seeks to micromanage the Company by dictating that the Company must adopt a specific policy position and prescribing how the Company must communicate that policy position.” The Staff’s positions in *CBRE Group* and *Intel* are consistent with the Staff’s longstanding practice of concurring in exclusion pursuant to Rule 14a-8(i)(7) of proposals that micromanage companies in other contexts. *See, e.g., Chevron Corporation* (March 6, 2020) (concurring in exclusion of a proposal requesting a report detailing how the company will reduce its total contribution to climate change and align its operations and investments with the Paris Agreement’s goal of maintaining global temperature rise well below 2 degrees Celsius); *MGE Energy, Inc.* (March 13, 2019) (concurring in exclusion of a proposal requesting a report how the company will provide a low-cost energy future by eliminating coal and moving to 100% renewable energy no later than 2050, on the basis that the proposal “seeks to micromanage the Company by seeking to impose specific methods for implementing complex

January 19, 2021

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policies in place of the ongoing judgments of management as overseen by its board of directors”); and *Amazon.com, Inc.* (January 18, 2018, *recon. denied* April 5, 2018) (concurring in exclusion of a proposal requesting that the company list WaterSense showerheads before others and that the company provide a brief description of such showerheads, on the basis that the proposal “seeks to micromanage the Company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment”).

As with the proposals in *CBRE Group, Intel* and the other no-action letter precedent, the Proposal “imposes a specific strategy, method, [or] action . . . for addressing an issue, thereby supplanting the judgment of management and the board.” SLB 14K. Notably, the Proposal imposes a broad-based, uniform requirement to all of the Company’s new hire decisions, which vary based on a number of factors, including geographic region, position, salary scale, existing department composition and more. The specific, one-size-fits-all approach requested in the Proposal sets a specific strategy, method and action for a necessarily complex process, thereby supplanting the reasoned judgment of the Company’s management and Board of Directors, and, therefore impermissibly micromanages the Company as contemplated by SLB 14K. The Company employs nearly 11,000 full-time and part-time employees, and implementing the Proposal could present a significant number of challenges if the Company were to implement the precise terms of the Proposal. For instance, the Proposal would require the Company to establish candidate pools before employing all new hires and ensure that such candidate pools include, at a minimum, qualified women and minority candidates. This can pose serious, practical challenges, including significantly increasing recruiting costs and encroaching on the Company’s ability to run its business and compete for talent in a highly competitive, fast-moving market. Ultimately, management must evaluate complex decisions when developing and overseeing a company’s hiring processes, and such decisions are beyond the purview of shareholders. By mandating how the Company approaches its complex hiring process and strives to improve its workforce diversity, the Proposal impermissibly supplants the reasoned judgment of management and the Company’s Board of Directors for that of the Company’s shareholders.

For the reasons discussed in this letter, the Proposal implicates both of the key considerations in assessing whether a shareholder proposal relates to the ordinary business of a company and therefore may be excluded pursuant to Rule 14a-8(i)(7).

## **Conclusion**

For the foregoing reasons, and consistent with the Staff’s prior no-action letters, we respectfully request that the Staff concur that it will take no action if the Company excludes the Proposal from its Proxy Materials pursuant to Rule 14a-8(i)(7), on the basis that the Proposal relates to the Company’s ordinary business operations.

January 19, 2021

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If the Staff has any questions with respect to the foregoing, or if for any reason the Staff does not agree that the Company may exclude the Proposal from its Proxy Materials, please do not hesitate to contact me at [meredith.cross@wilmerhale.com](mailto:meredith.cross@wilmerhale.com) or (202) 663-6644, or Jeffrey A. Brown, Sr. Vice President, Corporate Secretary and Chief Compliance Officer, Activision Blizzard, Inc. at [jeff.brown@activision.com](mailto:jeff.brown@activision.com). In addition, should the Proponents choose to submit any response or other correspondence to the Commission, we request that the Proponents concurrently submit that response or other correspondence to the Company, as required pursuant to Rule 14a-8(k) and SLB 14D, and copy the undersigned.

Best regards,

A handwritten signature in black ink, appearing to read "Meredith B. Cross".

Meredith B. Cross

Enclosures

cc: Jeffrey A. Brown, Activision Blizzard, Inc.  
Brandon J. Rees, AFL-CIO Reserve Fund  
Meredith Miller, UAW Retiree Benefits Trust

**EXHIBIT A**

**From:** Brandon Rees <[brees@aflcio.org](mailto:brees@aflcio.org)>  
**Sent:** Friday, December 11, 2020 12:27 PM  
**To:** Relations, Investor <[ir@activision.com](mailto:ir@activision.com)>  
**Subject:** AFL-CIO shareholder proposal

Dear Corporate Secretary:

Please see the attached letter submitting the AFL-CIO Reserve Fund's shareholder proposal for the 2021 annual meeting of Activision Blizzard. A printed copy of this correspondence is also being sent by UPS air. As always, we welcome the opportunity to discuss our proposal with you.

Sincerely,

Brandon Rees  
[brees@aflcio.org](mailto:brees@aflcio.org)  
202-637-5152 (office)  
202-486-2187 (cell)





# AFL-CIO

AMERICA'S UNIONS

**American Federation  
of Labor and  
Congress of Industrial  
Organizations**

815 16th St. NW  
Washington, DC 20006  
202-637-5000  
aflcio.org

**EXECUTIVE COUNCIL**

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**ELIZABETH H. SHULER**  
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James Slevin  
Tom Conway  
John Costa  
Tim Driscoll  
Rory Gamble  
Everett Kelley  
Anthony Shelton

December 11, 2020

Activision Blizzard, Inc.  
Office of the Corporate Secretary  
3100 Ocean Park Boulevard  
Santa Monica, California 90405

Dear Corporate Secretary:

On behalf of the AFL-CIO Reserve Fund (the "Fund"), I write to give notice that pursuant to the 2020 proxy statement of Activision Blizzard, Inc. (the "Company"), the Fund intends to present the attached proposal (the "Proposal") at the 2021 annual meeting of shareholders (the "Annual Meeting"). The Fund requests that the Company include the Proposal in the Company's proxy statement for the Annual Meeting.

The Fund is the beneficial owner of 625 shares of voting common stock (the "Shares") of the Company. The Fund has held at least \$2,000 in market value of the Shares for over one year, and the Fund intends to hold at least \$2,000 in market value of the Shares through the date of the Annual Meeting. A letter from the Fund's custodian bank documenting the Fund's ownership of the Shares is enclosed.

The Proposal is attached. I represent that the Fund or its agent intends to appear in person or by proxy at the Annual Meeting to present the Proposal. I declare that the Fund has no "material interest" other than that believed to be shared by stockholders of the Company generally. I am available to meet via teleconference during the Company's regular business hours and I look forward to discussing the Proposal with the Company. Please direct all communications or correspondence regarding the Proposal to me at 202-486-2187 or [brees@aflcio.org](mailto:brees@aflcio.org).

Sincerely

Brandon J. Rees, Deputy Director  
Corporations & Capital Markets

Attachments

BJR/sdw  
opeiu#2, aflcio

Resolved: Shareholders request that the Board of Directors of Activision Blizzard, Inc. (the “Company”) adopt a policy for improving workforce diversity by requiring that the initial pool of candidates from which new employees are hired by the Company shall include, but need not be limited to, qualified women and minority candidates (a “Diverse Candidate Search Policy”).

### **Supporting Statement**

A diverse workforce at all levels of a company can enhance long-term company performance. Workforce diversity provides a competitive advantage to companies by helping to attract and retain talented employees, strengthening customer relationships, increasing employee satisfaction, improving corporate decision-making, and enhancing corporate reputations.

According to a recent study by McKinsey & Company, there is a “positive, statistically significant correlation between company financial outperformance and diversity, on the dimensions of both gender and ethnicity. This is evident at different levels of the organization, particularly on executive teams” (Diversity Wins: How Inclusion Matters, May 2020).

The purpose of the requested Diverse Candidate Search Policy is to assure that the Company’s recruitment pools for external hires are adequately diverse. This proposal is intended to provide flexibility to the Board of Directors to design the specific terms of a Diverse Candidate Search Policy with respect to race, ethnicity, gender, sexual orientation, disability and other groups.

This proposal is modeled on the National Football League’s adoption of the “Rooney Rule” which requires teams to interview minority candidates for head coaching and other senior positions. The Rooney Rule does not dictate who should be hired, but instead widens the talent pool by requiring a diverse set of candidates for consideration before a hiring decision is made.

We commend the steps that our Company has already taken to promote workforce diversity, equity and inclusion. In our view, adopting a Diverse Candidate Search Policy will complement our Company’s existing efforts. We also believe that a Diverse Candidate Search Policy will broaden our Company’s access to talent for recruitment and diversify its internal talent pipeline.

The Black Lives Matter and #MeToo movements have highlighted the social policy significance of diversity, equity and inclusion. Many companies have also embraced the business case for promoting workforce diversity. We believe that our Company can further enhance its own diversity efforts by adopting a Diverse Candidate Search Policy as requested by this proposal.

For these reasons, we urge shareholders to vote for this proposal.

December 11, 2020

Activision Blizzard, Inc.  
Office of the Corporate Secretary  
3100 Ocean Park Boulevard  
Santa Monica, California 90405

Dear Corporate Secretary:

Amalgamated Bank of Chicago, is the record holder of 625 shares of Common Stock (the "Shares") of Activision Blizzard, Inc. beneficially owned by the AFL-CIO Reserve Fund as of December 11, 2020. The AFL-CIO Reserve Fund has continuously held at least \$2,000 in market value of the Shares for over one year as of December 11, 2020. The Shares are held by Amalgamated Bank of Chicago at the Depository Trust Company in our participant account No. 2567.

If you have any questions concerning this matter, please do not hesitate to contact me at (312) 822-3112.

Sincerely,



Mary C. Murray  
Senior Vice President

cc: Brandon J. Rees  
Deputy Director, AFL-CIO Corporations & Capital Markets

---

**From:** Mark Hill <[mhill@rhac.com](mailto:mhill@rhac.com)>  
**Sent:** Friday, December 18, 2020 9:05 AM  
**To:** Relations, Investor <[ir@activision.com](mailto:ir@activision.com)>  
**Cc:** [jeffrey.brown@activision.com](mailto:jeffrey.brown@activision.com); Brandon Rees <[brees@aficio.org](mailto:brees@aficio.org)>; Meredith Miller <[mamiller@rhac.com](mailto:mamiller@rhac.com)>; Cambria Allen <[callen@rhac.com](mailto:callen@rhac.com)>  
**Subject:** UAW Trust Shareholder Resolution Submission Co-Filing - 2021

To Whom It May Concern:

The attached resolution is submitted by the UAW Retiree Medical Benefits Trust to Activision Blizzard, Inc. for inclusion in the 2021 annual proxy. We are co-filing this resolution, the primary filer is the AFL-CIO Reserve Fund. As detailed in the attachment, we authorize them to withdraw on our behalf. We hope to schedule a meeting to discuss the resolution further, in the hopes that it is merely a placeholder and that we will be able to withdraw, following a mutually agreeable settlement.

As noted in our cover letter, proof of ownership will be sent separately. Please feel free to contact me if you have any questions.

Best,

**Mark Hill**  
Senior Corporate Governance Analyst  
UAW Retiree Medical Benefits Trust  
Phone: (734) 887-4973  
Cell: (810) 836-4171  
Email: [MHill@rhac.com](mailto:MHill@rhac.com)



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December 18, 2020

Activision Blizzard, Inc.  
Office of the Corporate Secretary  
3100 Ocean Park Boulevard  
Santa Monica, California 90405

Dear Corporate Secretary:

The purpose of this letter is to submit the attached shareholder resolution co-filed by the UAW Retiree Medical Benefits Trust (“we” or the “Trust”) for inclusion in the Activision Blizzard, Inc. (“Activision Blizzard” or the “Company”) proxy statement for the 2021 Annual Meeting of Stockholders. The Trust is a co-filer with the AFL-CIO Reserve Fund and grants the authority to negotiate a withdrawal on our behalf.

This resolution is submitted pursuant to Rule 14(a) -8 of the General Rules and Regulations promulgated under the Exchange Act. The Trust is the beneficial owner of more than \$2,000 in market value of the Company’s stock and has held such stock continually for over one year. Furthermore, the Trust intends to continue to hold the requisite number of shares through the date of the 2021 annual meeting. Proof of ownership will be sent by the Trust’s custodian, State Street Bank and Trust Company, under separate cover.

If you have questions about this proposal please contact me at (734) 887-4964 or [mamiller@rhac.com](mailto:mamiller@rhac.com).

Sincerely,

A handwritten signature in black ink that reads "Meredith Miller". The signature is written in a cursive, flowing style.

Meredith Miller  
Chief Corporate Governance Officer  
UAW Retiree Benefits Trust  
777 East Eisenhower Parkway, Suite 800  
Ann Arbor, MI 48108

Resolved: Shareholders request that the Board of Directors of Activision Blizzard, Inc. (the “Company”) adopt a policy for improving workforce diversity by requiring that the initial pool of candidates from which new employees are hired by the Company shall include, but need not be limited to, qualified women and minority candidates (a “Diverse Candidate Search Policy”).

### **Supporting Statement**

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The purpose of the requested Diverse Candidate Search Policy is to assure that the Company’s recruitment pools for external hires are adequately diverse. This proposal is intended to provide flexibility to the Board of Directors to design the specific terms of a Diverse Candidate Search Policy with respect to race, ethnicity, gender, sexual orientation, disability and other groups.

This proposal is modeled on the National Football League’s adoption of the “Rooney Rule” which requires teams to interview minority candidates for head coaching and other senior positions. The Rooney Rule does not dictate who should be hired, but instead widens the talent pool by requiring a diverse set of candidates for consideration before a hiring decision is made.

We commend the steps that our Company has already taken to promote workforce diversity, equity and inclusion. In our view, adopting a Diverse Candidate Search Policy will complement our Company’s existing efforts. We also believe that a Diverse Candidate Search Policy will broaden our Company’s access to talent for recruitment and diversify its internal talent pipeline.

The Black Lives Matter and #MeToo movements have highlighted the social policy significance of diversity, equity and inclusion. Many companies have also embraced the business case for promoting workforce diversity. We believe that our Company can further enhance its own diversity efforts by adopting a Diverse Candidate Search Policy as requested by this proposal.

For these reasons, we urge shareholders to vote for this proposal.

---

**From:** Murray, Kathryn

**Sent:** Monday, December 28, 2020 1:31 PM

**To:** 'mamiiller@rhac.om' <mamiiller@rhac.om>

**Cc:** 'mhill@rhac.com' <mhill@rhac.com>; Brown, Jeff <Jeff.Brown@activision.com>

**Subject:** UAW Trust Activision Blizzard Shareholder Proposal - Deficiency Notice

Thank you for the resolution is submitted by the UAW Retiree Medical Benefits Trust to Activision Blizzard, Inc. for inclusion in our 2021 annual proxy. We have yet to received your proof of ownership. If you could confirm receipt of this notice and provide proof of ownership at your earliest convenience, I'd be grateful.

Happy holidays,

Katy Murray



**Kathryn Murray**

Vice President, Securities & Corporate  
Governance

**Phone:** 310.255.2510

**Fax:** 424.744.5542

**Email:** [kathryn.murray@activision.com](mailto:kathryn.murray@activision.com)

**Activision Blizzard**

3100 Ocean Park Blvd. Santa Monica, CA  
90405

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December 28, 2020

**VIA EMAIL AND OVERNIGHT COURIER**

UAW Retiree Medical Benefits Trust  
777 East Eisenhower Parkway, Suite 800  
Ann Arbor, MI 48108  
ATTN: Meredith Miller, Chief Corporate Governance Officer  
mamiller@rhac.com

Re: Notice of Deficiency Relating to Shareholder Proposal

Dear Ms. Miller:

On December 18, 2020, Activision Blizzard, Inc. (the "Company") received the shareholder proposal submitted by you on behalf of UAW Retiree Medical Benefits Trust (the "Proponent") for consideration at the Company's 2021 Annual Meeting (the "Submission"). Based on the date of electronic transmission of the Submission, the Company has determined that the date of submission was December 18, 2020 (the "Submission Date").

Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), provides that a shareholder proponent must submit sufficient proof of their continuous ownership of at least \$2,000 in market value, or 1%, of a company's shares entitled to vote on the proposal for at least one year as of the Submission Date. The Company's stock records do not indicate that the Proponent is the record owner of sufficient shares to satisfy this requirement. Therefore, under Rule 14a-8(b), the Proponent must prove its eligibility by submitting either:

- A written statement from the "record" holder of the Proponent's shares (usually a broker or a bank) verifying that, as of the Submission Date, the Proponent continuously held the requisite number of Company shares for at least one year. As addressed by the SEC staff in Staff Legal Bulletin 14G, please note that if the Proponent's shares are held by a bank, broker or other securities intermediary that is a Depository Trust Company ("DTC") participant or an affiliate thereof, proof of ownership from either that DTC participant or its affiliate will satisfy this requirement. Alternatively, if the Proponent's shares are held by a bank, broker or other securities intermediary that is not a DTC participant or an affiliate of a DTC participant, proof of ownership must be provided by both (1) the bank, broker or other securities intermediary and (2) the DTC participant (or an affiliate thereof) that can verify the holdings of the bank, broker or other securities intermediary. You can confirm whether a particular bank, broker or other securities intermediary is a DTC participant by checking DTC's participant list, which is available on the Internet at <http://www.dtcc.com/downloads/membership/directories/dtc/alpha.pdf>. The Proponent should be able to determine who the DTC participant is by asking the Proponent's bank, broker or other securities intermediary; or
- If the Proponent has filed with the SEC a Schedule 13D, Schedule 13G, Form 3, Form 4 or Form 5, or amendments to those documents or updated forms, reflecting its ownership of the requisite number of Company shares as of or before the date on which the one-year



eligibility period begins, a copy of the schedule and/or form, and any subsequent amendments reporting a change in the ownership level and a written statement that the Proponent continuously held the requisite number of Company shares for the one-year period.

Your cover letter indicated that certification of the Proponent's ownership from the record owner would be forthcoming. To date, the Company has not received proof that the Proponent has satisfied Rule 14a-8's ownership requirements as of the Submission Date. To remedy this defect, the Proponent must submit sufficient proof of its ownership of the requisite number of Company shares during the time period of one year preceding and including the Submission Date.

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to the undersigned at [kmurray@activision.com](mailto:kmurray@activision.com). The failure to correct the deficiencies within this timeframe will provide the Company with a basis to exclude the proposal contained in the Submission from the Company's proxy materials for the 2021 Annual Meeting.

If you have any questions with respect to the foregoing, please contact me at (310) 255-2510. For your reference, I enclose a copy of Rule 14a-8 and Staff Legal Bulletins 14F, 14G and 14K.

Sincerely,



Kathryn Murray  
Vice President, Securities & Corporate  
Governance  
Activision Blizzard, Inc.

cc: Mark Hill, UAW Retiree Medical Benefits Trust ([MHill@rhac.com](mailto:MHill@rhac.com))

Enclosures – Exchange Act Rule 14a-8  
Staff Legal Bulletins 14F, 14G and 14K

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**From:** Mark Hill <mhill@rhac.com>  
**Sent:** Wednesday, December 30, 2020 12:30 PM  
**To:** Murray, Kathryn <Kathryn.Murray@activision.com>  
**Cc:** Meredith Miller <mamiller@rhac.com>  
**Subject:** RE: FW: UAW Trust Activision Blizzard Shareholder Proposal - Deficiency Notice

Hi Kathryn,

Hope you had a Happy Holiday. You should have received this from our custodian (State Street) in your Investor Relations mailbox but I've attached again for your convenience.

Best,

**Mark Hill**  
Senior Corporate Governance Analyst  
UAW Retiree Medical Benefits Trust  
Phone: (734) 887-4973  
Cell: (810) 836-4171  
Email: [MHill@rhac.com](mailto:MHill@rhac.com)



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**From:** Murray, Kathryn  
**Sent:** Monday, December 28, 2020 1:31 PM  
**To:** [mamiiller@rhac.com](mailto:mamiiller@rhac.com)  
**Cc:** [mhill@rhac.com](mailto:mhill@rhac.com); Brown, Jeff <[Jeff.Brown@activision.com](mailto:Jeff.Brown@activision.com)>  
**Subject:** UAW Trust Activision Blizzard Shareholder Proposal - Deficiency Notice

Thank you for the resolution is submitted by the UAW Retiree Medical Benefits Trust to Activision

Blizzard, Inc. for inclusion in our 2021 annual proxy. We have yet to received your proof of ownership. If you could confirm receipt of this notice and provide proof of ownership at your earliest convenience, I'd be grateful.

Happy holidays,

Katy Murray



**Kathryn Murray**

Vice President, Securities & Corporate Governance

**Phone:** 310.255.2510

**Fax:** 424.744.5542

**Email:** [kathryn.murray@activision.com](mailto:kathryn.murray@activision.com)

**Activision Blizzard**

3100 Ocean Park Blvd. Santa Monica, CA 90405

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December 18, 2020

Activision Blizzard, Inc.  
Office of the Corporate Secretary  
3100 Ocean Park Boulevard  
Santa Monica, California 90405

Re: Shareholder Proposal Record Letter for Activision Blizzard, Inc and Company (Cusip 00507V109)

State Street Bank and Trust, as custodian for the UAW RMBT, to the best of our knowledge declares the following:

State Street Bank and Trust performs master custodial services for the UAW RMBT Retirement System.

As of December 18, 2020, and continuously for at least the immediately preceding twelve months, UAW RMBT is and has been the beneficial owner of shares of common stock Activision Blizzard, Inc and Company having a market value in excess of \$2,000.

Such shares beneficially owned by the UAW RMBT are custodied by State Street Bank and Trust through the electronic book-entry services of the Depository Trust Company (DTC). State Street is a participant (Participant Number 0997) of DTC and shares registered under participant 0997 in the street name of Surfboard & Co. beneficially owned by the UAW RMBT.

Signed this on the 18<sup>th</sup> of December at Sacramento, California.

STATE STREET BANK AND TRUST  
As custodian for the UAW RMBT.

Jeanie A. Smith  
Client Service  
Assistant Vice President  
State Street Bank and Trust Company