

# MSA STATEMENT 2020

## Introduction

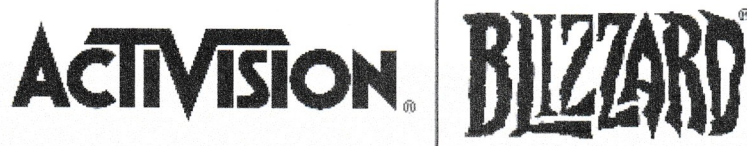
This statement is made pursuant to the Australian Modern Slavery Act 2018 (Cth) and is published on behalf of Activision Blizzard Pty Ltd. and its relevant group companies (as more particularly set out herein) ("**Company**", "**we**", "**our**"). The Company is a subsidiary of Activision Blizzard, Inc., a multinational company based in the United States. This statement is made in relation to the Company's financial year ending on 31 December 2020 and sets out the steps that we have taken, and plan to take, in order to combat modern slavery in our supply chains and business operations.

## Our Structure, Business and Operations

Activision Blizzard, Inc. ("**Activision Blizzard**") is a leading global developer and publisher of interactive entertainment content and services. Activision Blizzard primarily develops and distributes content and services on video game consoles, personal computers ("**PC**"), and mobile devices through three reportable segments as follows:

- **Activision Publishing, Inc. ("Activision")** is a leading global developer and publisher of interactive software products and entertainment content, particularly for the console platform. Activision primarily delivers content through retail and digital channels, including full-game and in-game sales, as well as by licensing software to third-party or related-party companies that distribute Activision products. Activision develops, markets, and sells products primarily based on our internally developed intellectual properties, as well as some licensed properties. Activision's key product franchise is Call of Duty®, a first-person action title for the console and PC platforms, and, following the launch of Call of Duty: Mobile, the mobile platform, including for Google Inc.'s ("Google") Android and Apple Inc.'s ("Apple") iOS. Call of Duty has been the number one console franchise globally for eleven of the last twelve years, based on data from The NPD Group, GfK Chart-Track, and GSD, and our internal estimates of upfront console sales. Activision also includes activities related to The Call of Duty League, a professional esports league with city-based teams in the US and Europe, and Call of Duty Challengers, its amateur equivalent.
- **Blizzard Entertainment, Inc. ("Blizzard")** is a leading global developer and publisher of interactive software products and entertainment content, particularly for the PC platform. Blizzard primarily delivers content through retail and digital channels, including subscriptions, full-game, and in-game sales, as well as by licensing software to third-party or related-party companies that distribute Blizzard products. Blizzard also maintains a proprietary online gaming service, Blizzard Battle.net®, which facilitates digital distribution of Blizzard content and selected Activision content, online social connectivity, and the creation of user-generated content. Blizzard also includes activities related to the Overwatch League™, the first major global professional esports league with city-based teams, and its amateur counterpart, Overwatch Contenders, as well as our Major League Gaming ("**MLG**") business, which is responsible for various esports events and serves as a multi-platform network for Activision Blizzard esports content. Blizzard's key product franchises include: World of Warcraft®, a subscription-based massive multi-player online role-playing game for the PC platform; StarCraft®, a real-time strategy franchise for the PC platform; Diablo®, an action role-playing franchise for the PC and console platforms; Hearthstone®, an online collectible card franchise for the PC and mobile platforms; and Overwatch®, a team-based first-person action title for the PC and console platforms.

Our Australian operations comprise Activision Blizzard Pty Limited which distributes physical products (via retail) and markets to the Australian market. In addition, Activision Blizzard International B.V. provides Australian consumers with its digital products, which are distributed via the platform providers to the Australian market.



In order to supply the software products and entertainment content described above, Activision and Blizzard source a range of goods and services through a diverse and global supply chain. For our Australian operations, these can be categorised into what we consider to be a more traditional supply chain – for the supply of our physical goods (primarily disc replication/product assembly with a very small range of ancillary merchandise); and other goods/services to run our operations (primarily marketing/PR/events agencies, software services, IT/office supplies and professional services). These suppliers are primarily based in Australia, Japan and Hong Kong. The small range of ancillary merchandise is sourced from suppliers in China.

## ASSESSMENT OF MODERN SLAVERY RISKS

- **Our workforce:** We do not believe we have exposure to modern slavery risks within our own workforce in Australia or any reporting entities. Our employees are educated and skilled, undertake work in controlled environments and are engaged under employment contracts which are compliant with local laws in jurisdictions which protect and promote the rights of workers. Also, as discussed in more detail below (see: [Our Approach](#)), we provide our employees with training and mechanisms through which to report, and receive help, if they identify, or are subject to, any modern slavery risks or issues.
- **Our suppliers:** We believe that the risk of modern slavery issues in the Company's operations and supply chain is low. As detailed above, a majority of the Company's traditional supply chain operations (which we view as being the most likely area for potential modern slavery violations) are based in territories with current legislation which subjects those suppliers to strong human rights protection frameworks, which may include similar modern slavery reporting requirements. That said, we recognise that Activision and Blizzard's exposure to modern slavery potentially increases when the Company and other relevant entities engage with certain third parties in territories which are classed as higher risk on the Global Slavery Index.

We have a small number of suppliers in China from which we source a small volume of ancillary merchandise. These suppliers are all tier one supply chain partners providing consumer product merchandise to us where we have made signature of our Vendor Code of Conduct a standard requirement when being engaged by/on behalf of the Company. This Code requires such suppliers to take steps to eradicate the use of modern slavery in their supply chains. The suppliers comprise 6 – 8 long-standing partners, who have track records of also working with other multinational businesses subject to the same reporting requirements as the Company.

## Our Approach

The 'right way to play' starts with our Code of Conduct ("Code"), which is our ethical foundation outlining our guiding principles and key ethics and compliance policies. Our Code requires that we obey all applicable laws and conduct our business with integrity, and it outlines our expectations of all employees. We have multiple other policies which support or elaborate on the principles of our Code.

We operate a robust global ethics and compliance program known as the "Way2Play" program. The Corporate Ethics & Compliance team (known as the "Way2Play" Team) creates policies, trainings, communications, and initiatives, and provides other resources that help employees navigate the "right way to play" while working at the Company. Although the core Way2Play Team is based at the Company's headquarters, the broader team extends globally and includes individuals from various offices and across the Legal team, Human Resources team, and other corporate functions.

Additionally, our "Way2Play Heroes" initiative trains and empowers carefully chosen employees, known as "Heroes", from across the Company to promote ethics and compliance in their local workplaces. Together with our Heroes, the Way2Play Team regularly engages in interactive "roadshow" trainings across the globe, specifically developed for individual locations and their needs. These ethics and compliance trainings, done in person or virtually, address the ethics and compliance needs and concerns as they arise.

We also have robust online trainings for all of our employees. Every new employee is required to take our "Way2Play Training," which is a bespoke, interactive online course covering the key concepts in the Code, including anti-bribery and anti-corruption. To help ensure continued global commitment to the Code, we also require all employees to review and acknowledge the Code on an annual basis. In addition, employees are periodically required to take additional training as ad hoc needs arise.

## POLICIES AND BUSINESS ETHICS

Building upon the ethical foundation laid out in our Code, we have a robust set of policies that further detail and elaborate on our principles and expectations, some of which are included below. Our employees receive comprehensive training on the key policies included in the Code, as described above.

Anti-Bribery & Anti-Corruption Policy	<ul style="list-style-type: none"><li>• Code of Conduct (Anti-Corruption: Business Without Bribery section)</li><li>• Vendor Code of Conduct (No Bribery section)</li></ul>
Anti-Discrimination & Anti-Harassment Policies	<ul style="list-style-type: none"><li>• Code of Conduct (Harassment: Don't Do It; Diversity and Non-Discrimination: Respect Differences sections)</li><li>• Vendor Code of Conduct (Discrimination: Respect for Individuals section)</li></ul>
Conflict Minerals Policy	<ul style="list-style-type: none"><li>• Conflict Minerals Policy</li><li>• Vendor Code of Conduct (Responsible Sourcing of Minerals section)</li></ul>
Corporate Governance Policies	<ul style="list-style-type: none"><li>• Corporate Governance Principles and Policies</li></ul>
Fair Competition Policies (i.e., antitrust policies)	<ul style="list-style-type: none"><li>• Code of Conduct (We Play Fair, Trade Associations: Participate With Care, and Compete With Integrity sections)</li><li>• Vendor Code of Conduct (No Unfair Business Practices; Privacy sections)</li></ul>
Human Rights Policy	<ul style="list-style-type: none"><li>• Code of Conduct (Respect Human Rights section)</li><li>• Vendor Code of Conduct</li></ul>
Reporting & Non-retaliation Policy	<ul style="list-style-type: none"><li>• Reporting and Non-Retaliation Policy</li><li>• Code of Conduct (Retaliation: We Don't Tolerate It section)</li></ul>
Vendor Code of Conduct	<ul style="list-style-type: none"><li>• Vendor Code of Conduct</li></ul>

## Due Diligence

### DUE DILIGENCE

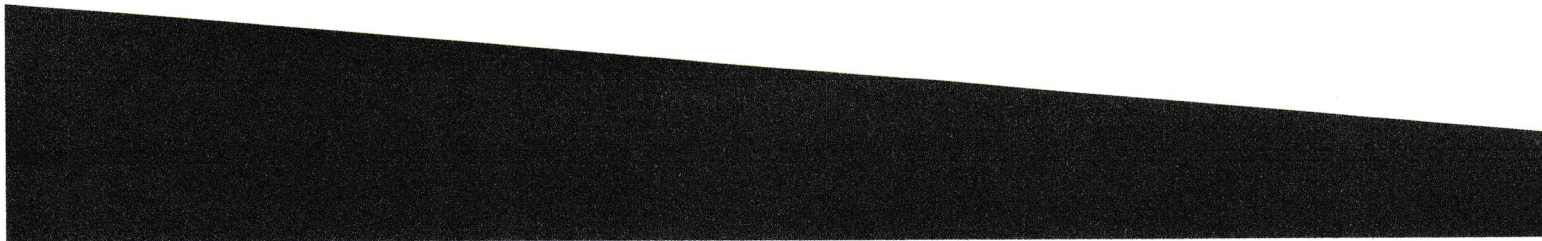
We are committed to responsible and compliant manufacturing throughout our supply chain. Our Vendor Code of Conduct ("VCOC") (referred to above and aimed at all our vendors, suppliers, and business associates) sets out the standards we expect individuals and businesses to live up to when conducting business for and with us. Our Vendor Code of Conduct was updated to explicitly require vendors to take steps to eradicate the use of conflict minerals and associated labour in their supply chains, further protect the rights of protected categories of individuals, and to impose clearer requirements for reporting and remedy of any unlawful or unethical behaviour arising in contravention of that Code.

To detect risks as early as possible, we have also:

- established a compliance email address ([vendorcompliance@activisionblizzard.com](mailto:vendorcompliance@activisionblizzard.com)) which is included in our VCOC. This is available on our Corporate Governance Site. Our VCOC expresses our expectation that if any of our business associates become aware of actual or potential violations of the VCOC, they are expected to promptly report these concerns through this email address. Reports submitted through this email are automatically directed to the Compliance team for internal review and are escalated and/or investigated as appropriate; and
- maintained access to online watchlist databases, which we use to search for the names of potential or current vendors/partners to see if those names or similar names appear in databases, news bulletins, watch-lists and other sources that report on certain identified risk areas. Relevant matches are reviewed by the legal and compliance teams and any issues are escalated internally and investigated as appropriate.

We visit our key traditional supply chain partners on a yearly basis. Due to the ongoing international pandemic, in-person activities during 2020 were suspended in the interests of employee and supplier health and safety, and we intend to reassess our approach to supplier reviews once we are safely able to do so. In the meantime, we continue to require that key supply chain partners enter into our VCOC.

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## LOOKING AHEAD

We operate in a diverse, complex and rapidly evolving industry and our business models continue to expand and evolve and we regularly review and look for ways to improve our practices. Accordingly, as our business changes we will review and look for ways to improve our practices, including our training and approach to supplier visits. Our foundational compliance policies and processes, as described above, provide a strong framework from which we can continue to evolve and grow.

Having recently undertaken a review of our supply chain personnel and structuring, we are planning to review our modern slavery training requirements within our organization, with a particular focus on providing additional training for individuals engaged in reviewing third-party suppliers. In addition, we are also planning to refresh the reporting documentation associated with our vendor visits.

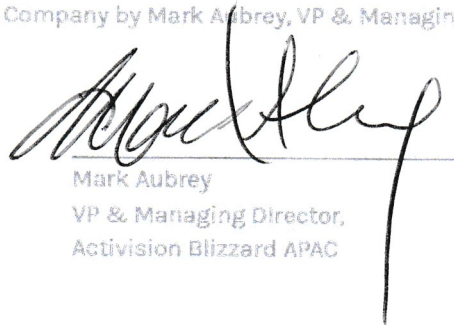
We recognize that the challenge of combating modern slavery is a long-term and continuing effort and we intend to continue improving and evolving in this area. We are committed to continue to assess the effectiveness of the various actions described above to manage and address modern slavery risks within our operations and supply chain. We will also ensure that our management continue to review the actions that have been taken by the Company to address modern slavery risk within the organization.

## CONSULTATION

We take a collaborative approach to ensure that all relevant areas of our Australian business are aware of the actions they need to take in accordance with our modern slavery risk management framework and that modern slavery risks relating to these areas have been identified, assessed and addressed.

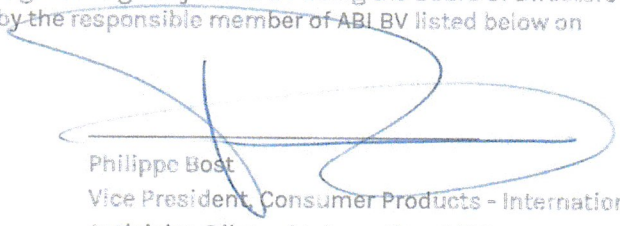
Accordingly, we have consulted with key people in various teams across our business in order to prepare this statement and ensure that it accurately describes our relevant Australian operations and supply chains, the modern slavery risks which exist in relation to those operations and supply chains, and the actions that we are taking as a business in order to address those risks. As noted above, we are committed to continually improving our approach to achieve compliance with our modern slavery obligations, including those which exist under the Australian Modern Slavery Act.

This statement was reviewed and approved on behalf of the Company by Mark Aubrey, VP & Managing Director, Activision Blizzard APAC, on 29 June, 2021.



Mark Aubrey  
VP & Managing Director,  
Activision Blizzard APAC

This statement was reviewed and approved by the principle governing body of ABI BV being the Board of Directors represented by the VP and Managing Director, and signed by the responsible member of ABI BV listed below on 19 August, 2021.



Philippe Bost  
Vice President, Consumer Products - International,  
Activision Blizzard International B.V.