



## **Policy for the Reporting of Questionable Accounting or Financial Matters**

Activision, Inc. (the "Company") has a responsibility for the stewardship of company resources and for fostering the public and investor support and confidence that will enable the Company to achieve its corporate goals. In pursuit of those responsibilities, we are committed to full compliance with all laws and regulations governing our company. We are also committed to operating in a manner that is not merely lawful, but consistent with sound business ethics. We require similar commitments from our employees, contractors, subcontractors, agents and all others who conduct business with us. Those commitments extend to the manner in which we record and report our financial performance and results of operations.

In keeping with those responsibilities, the Audit Committee of the Board of Directors is establishing this policy to enable and encourage the reporting of any conduct that appears to raise ethical or legal concerns in connection with Activision's accounting, internal accounting controls, financial reporting or other auditing matters. Any individual who files a report pursuant to this policy shall be protected from retaliation, in connection with the filing of such report, by the Company's Policy for the Protection of Whistleblowers.

This policy is intended to ensure (1) that any report questioning accounting or financial matters is properly received, treated and retained, and (2) all employees and others who deal with the Company have the ability to submit their concerns anonymously and without fear of retaliation.

### **I. Reporting Allegations of Questionable Accounting or Auditing Matters**

#### **A. Filing a Report**

1. Any person may report allegations of questionable accounting or auditing. Knowledge or suspicion of questionable conduct may originate from the review of documents, from staff or external auditors carrying out their assigned duties, or from the activities or knowledge of law enforcement, regulatory or taxing authorities or from customers or other business partners. Any allegations of questionable accounting, financial reporting or auditing practices or activities may be reported anonymously.
2. Reports of allegations of questionable accounting, financial reporting or auditing practices or activities shall be made in writing so as to assure a clear understanding of the issues raised. All reports shall be kept confidential. Such reports should contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures.
3. Reports should generally be submitted to Activision's General Counsel. However, in the interest of confidentiality or when there is a potential conflict of interest or for any other valid reason, reports may be made directly to the Audit Committee of the Company's Board of Directors.
4. Reports that are submitted directly to the Audit Committee should be mailed to the Audit Committee Chairperson in care of Activision's Corporate Secretary and should be marked "Confidential." The Audit Committee Chairperson shall initially determine if the complaint or report warrants an investigation by the entire Audit Committee but shall, in all events inform the Audit Committee of the complaint or report to allow the full Audit Committee to review that decision.
5. In all other instances, the General Counsel shall investigate and determine if the complaint or report should be submitted to the Audit Committee for their review and investigation. The existence of any complaint or report (whether or not deemed valid by the General Counsel) should be made known in a timely manner to the Audit Committee, which may independently determine to investigate any matter, regardless of a contrary conclusion by the General Counsel.

### **II. Investigating Questionable Accounting or Auditing Matters**

In performing their responsibilities hereunder, the General Counsel and Audit Committee shall:

1. Assure that the proper investigative channels are utilized according to appropriate expertise and that the

plan to address the reported improper accounting or auditing activities is appropriate to the circumstances;

2. Assure that senior management are apprised of the allegations when appropriate and as necessary and that the investigation is kept confidential if necessary during its pendency;
3. Assure that appropriate reporting occurs;
4. Ensure that necessary resources and expertise are brought to bear to cause the timely and thorough review of reports of allegations of suspected improper accounting and auditing matters;
5. Ensure there are no conflicts of interest on the part of any party involved in the investigations;
6. Coordinate and facilitate communications across investigative channels as necessary to ensure comprehensive attention to all facets of the matter;
7. Monitor significant elements and progress of investigations to ensure that allegations are timely and thoroughly addressed;
8. Coordinate and facilitate any necessary corrective and remedial action;
9. Assure that all employees of the Company have a duty to cooperate with investigations initiated under these procedures; and
10. Consistent with applicable personnel policies, place an implicated employee on an administrative leave or an investigatory leave, as appropriate, when it is determined by the Audit Committee that such a leave would serve the best interests of the employee, the Company or both. Such a leave is not to be interpreted as an accusation or a conclusion of guilt or innocence of any individual including the person on leave and shall not be used, viewed or announced as a disciplinary procedure.

### **III. Additional Specific Responsibilities**

#### **A. General Counsel**

1. The General Counsel shall be the individual primarily responsible for promptly reviewing and taking appropriate action with respect to all reports, diligently investigating the allegations made in any report and, if necessary, submitting the report to the Audit Committee and for making any required referrals to legal authorities.
2. The General Counsel shall be responsible for maintaining a written record of all reports for a period of not less than seven (7) years, and having such reports readily accessible during such period for review by the Audit Committee upon request.

#### **B. Audit Committee**

1. The Audit Committee shall be responsible for investigating all reports brought to its attention by the General Counsel or independently and making a final determination as to the action to be taken with respect to the report.
2. The Audit Committee shall be responsible for implementing appropriate disciplinary and legal action with respect to any individual determined by the Audit Committee to have engaged in misconduct and for mandating any referral to legal authorities which they determine to be necessary or appropriate.
3. The Audit Committee shall be responsible for reviewing all complaints and reports maintained by the General Counsel on a periodic basis and for keeping the full Board of Directors informed, as appropriate.

### **IV. Retention of Consultants**

Either the General Counsel or the Audit Committee may retain outside legal counsel, accounting, auditing or other experts to conduct or advise with respect to any investigation or report.

### **V. Amendments/Review**

The Audit Committee shall conduct an annual review of this policy and investigations undertaken pursuant to it to ensure that: (1) reports are properly received, treated and retained; and (2) employees have the ability to confidentially and anonymously submit concerns regarding questionable accounting or auditing matters. After the Audit Committee has completed its review, it shall implement any changes that it determines should be made to ensure effectiveness of the procedures.

As adopted by the Audit Committee and approved by the Board of Directors April 29, 2003