



Activision Blizzard Adoption & Donor/Surrogacy/Gestational Carrier Care Policy

We recognize that there are many ways to build a family. That's why we're here to help those looking to grow their family through adoption or surrogacy. Activision Blizzard has retained Kindbody's care navigation experts and specialized coaches to assist you with the process from end-to-end.

All active regular full-time employees are eligible for up to \$20,000 per lifetime for eligible third-party reproduction (donor and surrogacy) and adoption services that are incurred along the way towards a Legally Finalized Adoption or Legally Finalized Surrogacy. Eligible employees may seek assistance for both adoption and donor/surrogacy expenses for the same child, but in no event will the amount reimbursed exceed a combined total of the \$20,000 per event. This benefit will be available the first day following the completion of 6 months of service.

Kindbody will help you in:

- Determining the process and cost of adoption or donor/surrogacy, including detailing how your benefits will apply
- Explaining the processes and pathways for adoption or donor/surrogacy
- Informing you of state laws that impact your options
- Providing specific counseling for same-sex and transgender couples
- Educating you on resources for adoption or donor/surrogacy support (community forums, educational content)

Activision Blizzard Adoption Reimbursement Program:

As part of your Kindbody Family-Building Benefit, Activision Blizzard provides a reimbursement to cover eligible adoption-related expenses (the "Adoption Reimbursement Program"), up to the lifetime maximum benefit. This benefit applies to active regular full-time employees after completing six (6) months of service with Activision Blizzard. Employees may receive reimbursement for eligible adoption expenses of children under age 18. Activision Blizzard accepts no liability for outcomes of any adoption agreement entered into by the eligible Employee.

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“Reimbursable Adoption Expenses”

What expenses are eligible for reimbursement:

To be reimbursed under the Adoption Reimbursement Program, the employees must be 1) eligible in accordance with this policy 2) incurred eligible expenses as outlined below 3) submitted the formal Kindbody *Family Planning Reimbursement Form* and 4) receive reimbursement through Kindbody.

- Adoption Counseling or Coaching
 - *Note: as an eligible member under the Kindbody Family-Building Benefit you have a covered two-part intake support session with an adoption coach to identify needs, discuss options, deliver resources and identify actionable next steps. Session can be scheduled through Kindbody member services.*
 - *Any coaching and fees incurred beyond the session offered under this benefit will be employee responsibility.*
 - *Any member incurred fees can be submitted for reimbursement through the Adoption Reimbursement Program.*
- State-licensed adoption agency fees for placement and parental counseling
- Foreign adoption expenses and re-adoption charges in the U.S. after a foreign adoption
- Legal costs, including attorney’s fees and costs of legal proceedings
- State-required “pre-placement home study” and “post-placement supervision” programs, including application fees, if applicable
- Matching & placement fees
- Medical expenses of the adoptive child prior to placement for adoption and medical expenses of natural mother associated with the actual childbirth (provided, however, that expenses for carrying out surrogate parenting arrangements are excluded from reimbursement)
- Charges for temporary foster care before placement provided by a licensed agency
- Reasonable and customary transportation, food and lodging expenses to obtain physical custody of the adopted child. Expenses may be for the adoptive parents, child and natural mother.
- Other expenses your employer determines to be a Reimbursable Adoption Expense

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“Non-Reimbursable Adoption Expenses”

What expenses are not eligible for reimbursement:

- Expenses incurred before an employee becomes eligible to participate in the Adoption Reimbursement Program
- Expenses of or associated with egg or embryo donation
- Expenses incurred or submitted after an employee is no longer eligible to participate in the Adoption Reimbursement Program e.g. termination of employment
- Expenses that are reimbursed or reimbursable under a federal, state, or local plan
- Expenses incurred in violation of federal or state law
- Expenses reimbursed or reimbursable under another employer-sponsored plan
- Expenses incurred in relation to a surrogate parenting arrangement
- Any adoption that is not legally valid and recognized in the U.S.
- Compensation to gestational carrier
- Voluntary donations or contributions to adoption agency
- Long term storage of blood, umbilical cord, reproductive materials or other material (e.g., cryopreservation of tissue, blood and blood products)
- Costs paid using funds from any federal, state or local program for adoption
- Guardianship or custody costs that are not associated with the legal adoption of the child
- Cost of living expenses and or personal items (e.g., rent, utilities, food, clothing, etc.)
- Loss of income, including but not limited to, complications of pregnancy such as bed rest for gestational carrier
- Expenses incurred in connection with the adoption of a child who is related to either parent as a step-child, nephew, niece, cousin, brother or sister.
- Expenses which Kindbody determines in its sole discretion are not Reimbursable Adoption Expenses.

Are there limitations on benefits to certain employees?

Benefits paid to shareholders or owners (or their spouses or dependents) may constitute no more than five (5) percent of all adoption assistance reimbursements or expenses paid by Activision Blizzard in any calendar year.

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When can you submit for/receive reimbursement?

1. To receive reimbursements under the Adoption Reimbursement Program, eligible employees must incur a Reimbursable Adoption Expense.
2. Eligible adoption expenses incurred by eligible employees within 6 months prior to the effective date of this benefit (1/1/2022) will be reimbursable under this Adoption Reimbursement Program, up to the lifetime maximum benefit.
3. Employees may submit for reimbursement upon incurring fees relating to the Adoption Reimbursement Program through the Kindbody portal. A request for reimbursement of a Reimbursable Adoption Expense shall be made by an employee, or their authorized representative by uploading a Kindbody *Family Planning Reimbursement Form* along with itemized receipts and a signed verification through the Kindbody **portal** no later than six (6) months after the eligible expense was incurred.
4. A '*Kindbody Family Planning Reimbursement Form*' (available in the Kindbody **portal** or through your Kindbody Navigator) must be completed with the below information:
 - The name, address, and date of birth of the individual(s) for whom a Reimbursable Adoption Expense was incurred;
 - The description of services relating to the incurred Reimbursable Adoption Expense
 - The amount of the requested reimbursement; and
 - Itemized receipts, proof of payment of the incurred Reimbursable Adoption Expense
 - A statement that such Reimbursable Adoption Expense has not otherwise been reimbursed and is not reimbursable through any other source and that employee or their authorized representative will not request reimbursement from any other source.
5. No Reimbursable Adoption Expense incurred following termination of employment will be reimbursed. In the event of termination, (voluntary or involuntary) requests for reimbursement must be submitted to Kindbody prior to your date of termination.
6. All incurred Reimbursable Adoption Expenses must be incurred while employed by Activision Blizzard.

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Kindbody has full authority to interpret and administer this Adoption Reimbursement Program, and its decisions are final and binding on all parties. No person has the right to any reimbursements or benefits under this Adoption Reimbursement Program unless Kindbody determines that the benefit is payable. Activision Blizzard intends to continue the Program indefinitely but has the right to terminate or amend the Program at any time.

Income Tax Implications

- IRS Form 8839 provides that certain adoption-related expenses will be exempt from tax for taxpayers with income below an indexed threshold amount. Please refer to the instructions to Form 8839 to determine if a particular reimbursement amount is exempt from income tax.
- Neither Activision Blizzard nor Kindbody can provide you with specific tax advice but in general, if an employee's modified Adjusted Gross Income (modified AGI) does not exceed the income limitation under section 137(b)(2)(A) of the Code, as adjusted for inflation in accordance with section 137(f) (\$223,410 in 2022) the full amount of the benefits which are described in the instructions to IRS Form 8839 are non-taxable. If the employee's modified AGI exceeds this limit, the non-taxable portion of the benefit will be reduced in accordance with a formula set forth in section 137(b)(2)(A) of the Code. The full benefit is taxable to an employee whose modified AGI equals or exceeds the maximum amount (\$263,410 in 2022). These dollar amounts may be adjusted by the IRS annually for cost of living increases. Please see your tax adviser to determine how these rules affect your taxes.
- Payments in excess of the allowable maximum will be included in the participant's income in the year in which the payment is made.
- **Domestic Adoptions** - For Domestic Adoptions, Qualified Adoption Expenses are excludable from the Participant's gross income for the taxable year in which the Participant pays the expense.
- **Foreign Adoptions** - For Foreign Adoptions, Qualified Adoption Expenses are excludable from the Participant's gross income only in the taxable year in which the adoption becomes final.
- An employee may be eligible to claim both a tax credit and an exclusion for reimbursement of certain expenses. However, a tax credit and exclusion must not be claimed for the same expense.

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- Neither Activision Blizzard or Kindbody makes any commitment or guarantee that any amounts paid to or for the benefit of an employee under this program will be excludable from the employee's gross income for federal or state tax, or that any other favorable tax treatment will apply to or be available to any employee with respect to such amounts. It shall be the obligation of the employee to determine whether any benefit paid under this program is excludable from the employee's gross income for federal and state tax purposes.

Activision Blizzard Donor/Surrogacy/Gestational Carrier Reimbursement Program:

As part of your Kindbody Family-Building Benefit, Activision Blizzard provides a reimbursement to cover eligible donor, surrogacy or gestational carrier-related expenses (the "Donor/Surrogacy/Gestational Carrier Reimbursement Program"), up to the lifetime maximum benefit. This benefit applies to active regular full-time employees after completing six (6) months of service with Activision Blizzard. Activision Blizzard accepts no liability for outcomes of any surrogacy agreement entered into by the eligible Employee.

This donor/surrogacy benefit is designed to support an Activision Blizzard eligible employee who is the Intended Parent. No benefits are provided under the Program for an employee of Activision Blizzard acting as a surrogate. The eligible employee must be the Intended Parent.

"Reimbursable Donor/Surrogacy/Gestational Carrier Expenses"

What expenses are eligible for reimbursement:

To be reimbursed under the Donor/Surrogacy/Gestational Carrier Program, the employees must be 1) eligible in accordance with this policy 2) incurred eligible expenses as outlined below 3) submitted the formal Kindbody *Family Planning Reimbursement Form* and 4) receive reimbursement through Kindbody.

- Expenses associated with donor material, including: donor gametes (fresh/frozen) – oocytes/eggs; donor gametes – semen/sperm; donor embryos, and related-shipping & transport fees

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- Expenses related to working with a donation agency or cryobank, where legally allowed, which may include Power of Attorney, notarized documents, and other legal fees from an eligible provider
- Costs incurred in matching with a donor
- Prescription medications for a donor from an eligible provider
- Donor diagnostic testing and screening with an eligible provider (if not covered by Kindbody or another source)
- Mental health screening for individuals involved in donating material (if not covered by Kindbody or another source)
- Gestational carrier diagnostic testing and screening (if not covered by Kindbody or another source)
- Mental health screenings for the gestational carrier (if not covered by Kindbody or another source)
- Egg or sperm retrieval fees, IVF, embryo transfer and medical costs (if not covered by Kindbody or another source) & related medications
- Power of attorney, notarized documents, escrow “set-up”, and other legal fees from an eligible provider
- Gestational carrier maternity expenses
- Travel costs for gestational carrier or intended parents

“Non-Reimbursable Donor/Surrogacy/Gestational Carrier Expenses”

What expenses are not eligible for reimbursement:

- Expenses that are covered or reimbursable by any third party (individual or entity) or any other plan or program, including but not limited to, an employer-sponsored medical or other benefit plan, or a governmental plan or program
- Medical expenses of eligible employees, spouses, domestic partners or covered family members (regardless of whether such expenses are covered by, or reimbursable under, any employer or governmental plan or program or by a third party).
- Any surrogacy that is not legally valid and recognized in the U.S.
- Compensation to gestational carrier
- Compensation to egg or sperm donor
- Voluntary donations or contributions to surrogacy agency
- Costs paid using funds from any federal, state or local program for surrogacy
- Long term storage of blood, umbilical cord, reproductive materials or other material (e.g., cryopreservation of tissue, blood and blood products)

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- Guardianship or custody costs that are not associated with the legal surrogacy of the child
- Cost of living expenses and or personal items (e.g., rent, utilities, food, clothing, etc.)
- Loss of income, including but not limited to, complications of pregnancy such as bed rest for gestational carrier/surrogate

When can you submit for/receive reimbursement?

1. To receive reimbursements under the Donor/Surrogacy/Gestational Carrier Reimbursement Program, eligible employees must incur a Reimbursable Donor/Surrogacy/Gestational Carrier Expense.
2. Employees may submit for reimbursement upon incurring fees relating to the Donor/Surrogacy/Gestational Carrier Reimbursement Program through the Kindbody **portal**. A request for reimbursement of a Reimbursable Donor/Surrogacy/Gestational Carrier expense shall be made by an employee, or their authorized representative by uploading a Kindbody *Family Planning Reimbursement Form* along with itemized receipts and a signed verification through the Kindbody **portal** no later than six (6) months after the eligible expense was incurred.
3. A 'Kindbody *Family Planning Reimbursement Form*' (available in the Kindbody **portal** or through your Kindbody Navigator) must be completed with the below information:
 - The name, address, and date of birth of the individual(s) for whom a Reimbursable Donor/Surrogacy/Gestational Carrier Expense was incurred;
 - The description of services relating to the incurred Reimbursable Donor/Surrogacy/Gestational Carrier Expense
 - The amount of the requested reimbursement; and
 - Itemized receipts, proof of payment of the incurred Reimbursable Donor/Surrogacy/Gestational Carrier Expense
 - A statement that such Reimbursable Donor/Surrogacy/Gestational Carrier Expense has not otherwise been reimbursed and is not reimbursable through any other source and that employee or their authorized representative will not request reimbursement from any other source.
4. If a Reimbursable Donor/Surrogacy/Gestational Carrier Expense is not completed and the fee paid by the employee is returned to the employee, the employee is required to notify Kindbody to reimburse Kindbody for any prior reimbursement facilitated.

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5. No Reimbursable Donor/Surrogacy/Gestational Carrier Expense incurred following termination of employment will be reimbursed. In the event of termination (voluntary or involuntary) requests for reimbursement must be submitted to Kindbody prior to your date of termination.
6. All incurred Reimbursable Donor/Surrogacy/Gestational Carrier Expenses must be incurred while employed by Activision Blizzard.

Kindbody has full authority to interpret and administer this Donor/Surrogacy/Gestational Carrier Reimbursement Program, and its decisions are final and binding on all parties. No person has the right to any reimbursements or benefits under this Donor/Surrogacy/Gestational Carrier Reimbursement Program unless Kindbody determines that the benefit is payable. Activision Blizzard intends to continue the Program indefinitely but has the right to terminate or amend the Program at any time.

Income Tax Implications

- Benefits paid under the Donor/Surrogacy/Gestational Carrier Reimbursement Program are treated as taxable wages for income and employment tax withholding purposes. Any employee participating in this Donor/Surrogacy/Gestational Carrier Reimbursement Program must make adequate provision for, any sums required to satisfy the federal, state, local, foreign, and other tax or social security withholding obligations of Activision Blizzard, if any, which arise in connection with a reimbursement under this Donor/Surrogacy/Gestational Carrier Reimbursement Program, including, but not limited to authorizing withholding from payroll and any other amounts payable to such employee. Notwithstanding the foregoing, Activision Blizzard makes no representation or undertaking regarding the tax treatment and/or related withholding resulting from participation in this Donor/Surrogacy/Gestational Carrier Reimbursement Program, and an employee remains solely responsible for any such liability.

Indemnification of Activision Blizzard by Participants

- If any employee receives one or more payments or reimbursements under the Plan that are not for qualified expenses under this program, such employee shall indemnify and reimburse Activision Blizzard for any liability they may incur for failure to withhold federal

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or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax that the employee would have owed if the payments or reimbursements that had been made to the employee as regular cash compensation, plus the employee's share of any Social Security tax that would have been paid on such compensation, less any additional income and Social Security tax actually paid by the Participant.

Expenses

- All costs and expenses incurred in administering this program and other administrative expenses shall be paid by Activision Blizzard out of its general assets. Nothing herein will be construed to require the Activision Blizzard or Kindbody to maintain any fund or segregate any amount for the benefit of any employee and no employee or any other person shall have any claims against, right to, or security or other interest in, any fund, account or asset of the Activision Blizzard from which any payment under this program may be made. This program is not funded through a trust or otherwise and is not intended to be covered under the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Non-Assignability

- It is a condition of this program, and all rights of each person eligible to receive reimbursement shall be subject thereto, that no right or interest of any such person in this program shall be assignable or transferable in whole or in part, either directly or by operation of law or otherwise, including, but not by way of limitation, execution, levy, garnishment, attachment, pledge, or bankruptcy, but excluding devolution by death or mental incompetence, and no right or interest of any such person in this program shall be liable from, or subject to, any obligation or liability of such person, including claims for alimony or the support of any spouse.

Employment Non-Contractual

- This program confers no right upon any employee to continued employment.

Governing Law

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- To the extent not preempted by federal law, this Plan shall be interpreted and construed in accordance with the above-referenced section and related sections of the Internal Revenue Code and the law of the State of California.

Amendment Withdrawal and Termination

- This program may at any time and from time to time be amended, modified or terminated by written instrument executed by a duly authorized representative of Activision Blizzard. Any such amendment, modification or termination shall become effective on such date as Activision Blizzard shall determine and may apply to persons eligible to receive benefits or persons receiving benefits under this program at the time thereof, or both, as well as to persons who otherwise would be eligible to receive benefits in the future, provided, however, that no such amendment, modification or termination shall deprive any employee of any benefits attributable to reduction in his compensation made prior to the date of such amendment, modification or termination.

Term Glossary

Intended Parent (IP)

A person or couple who demonstrates the intent to be legally bound as the parent of a child resulting from surrogacy or adoption.

Legally Finalized Adoption

An adoption is Legally Finalized when the adoptive parent(s) have been granted permanent legal custody of the child in the U.S according to the current U.S. law governing adoptions; and the adopting parent(s) can provide a notarized adoption decree or notarized court order and U.S. Passport or U.S. Visa, as applicable.

Legally Finalized Surrogacy

A surrogacy is Legally Finalized when the Intended Parent(s) have been granted permanent legal custody of the child and the Intended Parent(s) can provide a copy of either the certified birth certificate or a notarized court order acknowledging parentage of the Intended Parent(s) as the child's permanent legal parent(s).