



December 9, 2021

Maria Elena Lagomasino
Lead Independent Director and Chair of the Directors and Governance Committee
The Coca-Cola Company
One Coca-Cola Plaza
Atlanta, GA 30313

Dear Ms. Lagomasino,

We urge you, acting in your role as both Lead Independent Director and Chair of the Directors and Corporate Governance Committee, to lead your fellow directors to the decision not to renominate director Robert Kotick for re-election in 2022. As you know, in his role as CEO of Activision Blizzard, Inc. (“Activision”), Mr. Kotick bears primary responsibility for the longstanding “frat boy” corporate culture that has led to multiple allegations of gender discrimination, sexual harassment, and sexual assault by current and former Activision employees, as well as investigations, litigation, and other enforcement actions by California and federal authorities. Given these grave allegations, which include specific instances in which Mr. Kotick learned of abusive behavior by Activision executives but nevertheless sought to retain those executives or weaken the disciplinary action they faced, we think it is obvious that Mr. Kotick is not a suitable individual to serve on the Coca-Cola Company (“Coca-Cola”) board of directors. Moreover, the time and attention that Mr. Kotick will need to devote to the cultural crisis at Activision ought to preclude his ability to effectively serve as a director of a major global brand. To be as clear as possible, should you and the board nominate Mr. Kotick for election at next year’s annual meeting, we will feel compelled to oppose not only his re-election, but that of yourself and other directors.

The SOC Investment Group, formerly known as CtW Investment Group, works with pension funds sponsored by unions affiliated with the Strategic Organizing Center, a coalition of four unions representing more than four million members, to enhance long term shareholder value through active ownership. These funds have over \$250 billion in assets under management and are also substantial Coca-Cola shareholders.

The lawsuit filed by the State of California’s Department of Fair Housing and Employment (DFHE) revealed a long-term crisis in Activision’s corporate culture and workplace practices. In addition to the numerous acts of gender discrimination, sexual harassment, and sexual assault described in the initial DFHE complaint, Activision has also disclosed an investigation by the SEC, and an unfair labor practice charge has been filed against the company. While Mr. Kotick has responded to these allegations and investigations by promising change, dismissing male executives discussed in the DFHE complaint, and appointing women to replace them, his actions have not been enough to head off demands for his replacement by Activision employees, more than 1,000 of whom recently participated in a walk-out.

Distressingly, a recent *Wall Street Journal* report reveals that numerous internal documents contradict statements made by Mr. Kotick since the DFHE lawsuit was filed, and that in some instances over the past decade he directly intervened to ensure that executives who were credibly accused of harassment were not terminated or were praised for their contributions to the company when they departed. Moreover, the report documents a number of instances where Mr. Kotick used violent and inappropriate language when responding to women reporting harassment, discloses that the initial response to the DFHE lawsuit was authored by Mr. Kotick despite his failure to publicly acknowledge his responsibility for what he subsequently characterized as a “tone deaf” statement, and that even women promoted to senior executive positions in the wake of this crisis experienced harassment at Activision and believed that “the company would never prioritize our people the right way.”

In light of these revelations, it is clear that the Coca-Cola board should not renominate Mr. Kotick in 2022. At the very least, the numerous ongoing investigations and continued restructuring at Activision promise to consume so much of Mr. Kotick’s time over the next year, at least, that it is implausible that he would be able to devote sufficient time and attention to his duties as a Coca-Cola director. But much more importantly, Mr. Kotick’s tolerance of sexist, harassing, and discriminatory behavior, as well as the duplicitous and misleading statements he has made, strongly indicate that he does not possess the bare minimum ethical qualifications to serve as a director. If the Coca-Cola board were to renominate Mr. Kotick, it would directly contravene the company’s clear commitments to “mirror the diversity of the communities where we operate, but also to lead and advocate for a better shared future,” all while “diversity, equity and inclusion are at the heart of our values and our growth strategy and play an important part in our company's success.”¹

We urge you, as Chair of the Directors and Corporate Governance Committee, as well as Lead Independent Director for the board as a whole, to take the lead and bring your colleagues along to the appropriate conclusion that Mr. Kotick’s service on the Coca-Cola board must come to an end. His actions and statement are clearly disqualifying, and if he is renominated we will have no choice but to oppose his re-election as well as that of other Coca-Cola directors.

If you would like to discuss these matters with us, please contact our Research Director, Richard Clayton, at rclayton@socinvestmentgroup.com.

Sincerely,



Dieter Waizenegger
Executive Director

¹ <https://www.coca-colacompany.com/shared-future/diversity-and-inclusion>