

August 5, 2021 Edited by: **Martin Wennerström**



Activision Blizzard sued first for discrimination, then for misrepresentation

Activision Blizzard Inc. faces an investor class action lawsuit alleging that it failed to disclose an investigation by the California Department of Fair Employment and Housing (“DFEH”), which ran for two years and culminated in the agency filing a separate civil suit against the company on July 20, 2021. The DFEH suit alleges that the video game publisher is plagued by a “frat boy” culture characterized by pervasive sexual harassment and discrimination against women. According to DFEH, women represent only 20% of Activision Blizzard’s workforce and receive lower pay for “substantially similar work.” A July 21 internal memo from the company’s chief compliance officer reportedly called DFEH’s allegations “factually incorrect, old and out of context,” prompting a demonstration by more than 1,000 employees outside subsidiary Blizzard Entertainment’s Irvine campus. On July 27, Activision Blizzard CEO Robert Kotick apologized for the “tone deaf[ness]” of this initial response, while announcing an external legal review of the company’s policies and procedures. On Aug. 3, Blizzard Entertainment President J. Allen Brack stepped down with immediate effect. The parent company’s stock has dropped by around 10% since DFEH filed suit.

[DFEH Lawsuit](#) | [DFEH Press Release](#) | [Kotick Letter](#) | [Brack Announcement](#) | [PR Newswire](#) | [CNBC](#) | [PC Gamer](#)

Softbank reportedly looking to partly offload Uber stake

Softbank is reportedly selling around a third of its stake in Uber Technologies Inc., in part to cover losses incurred from its investment in Chinese ride-hailing group Didi Global Inc. Didi’s shares have dropped around 40% since its recent NYSE IPO, prompted by an investigation by Chinese regulators. SoftBank’s Vision Fund, Didi’s largest shareholder with a 21.5% stake, has lost about USD 4 billion on its Didi position. Softbank has also suffered recent losses from other Chinese investments similarly targeted by Beijing’s regulatory crackdown, such as Alibaba and ByteDance.

[CNBC](#) | [BBC](#)

Just Eat Takeaway slammed for poor investor relations

Cat Rock Capital Management LP, which holds a 4.7% stake in Just Eat Takeaway.com, has recently criticized the company for its “deeply flawed communication” with investors that has allegedly resulted in a 11% share price drop over the past two years. The activist investor alleged that the Amsterdam-based firm has not been transparent in communicating the costs of its investments, has caused confusion by criticizing the potential of businesses it invests in, and failed to address competitor attacks. Cat Rock urged the food delivery firm to sell non-core assets and to “explore strategic combinations.”

[City AM](#) | [Business Wire](#)

Lagardère probed over vote buying and false accounting

France’s National Financial Prosecutor’s Office (“PNF”) is reportedly investigating Lagardère SA over alleged false accounting, vote buying and misuse of corporate assets. The instigating complaint appears to have been filed by activist investor Amber Capital in February, before Lagardère reached an agreement with Amber and other main shareholders for it to convert into a joint-stock company. Amber and Lagardère had been embroiled in a dispute since 2016 over the company’s “partnership limited by shares” corporate form, which allowed Arnaud Lagardère to control it despite holding only 7% of the capital.

[Lagardère](#) | [Le Monde](#) | [Reuters](#) | [Bloomberg](#)

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