Snap Inc. Diversity Annual Report 2020



Equity is an idea whose time has come. Although long overdue there is no silver bullet: Diversity, Equity & Inclusion (DEI) require long-term collective effort to change hearts, minds, and systems.

For our impact to match our ambition, we must reimagine how we approach this work. We offer our first Diversity Annual Report with humility about where we are today — and with a clear goal of creating a fairer, more inclusive and truly anti-racist culture.

We're determined to do what it takes to improve our representation numbers, because behind the numbers are real people. We want talented people from all backgrounds to have an equal opportunity to work and succeed at Snap. Over the coming years we expect to be held accountable not just for our words, but for our actions and our results.

Before turning to the work, I want to thank those whose passion has driven DEI to date, including members of underrepresented groups and Employee Resource Groups. Our journey towards our first Diversity Annual Report has taught us an invaluable lesson: DEI is in everyone's interest, and therefore it is everyone's job.

Oona King
VP, Diversity, Equity and Inclusion

SNAP INC. DIVERSITY ANNUAL REPORT 2020

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SNAP INC. DIVERSITY ANNUAL REPORT 2020

INTRODUCTION

Introduction

Executive Sumary

Executive Summary

At Snap, our mission is to contribute to human progress by empowering people to express themselves, live in the moment, learn about the world, and have fun together.

We believe that an inclusive workplace and inclusive products are central to achieving that purpose. To date, our DEI (Diversity, Equity & Inclusion) outcomes simply have not been good enough. We must do more, and in our first Diversity Annual Report, we commit to doing more and to holding ourselves publicly accountable.

That is not to say we've made no progress to date. Among other things, we've made significant headway in diversifying our executive leadership; we've trained our team rigorously on unconscious bias; and we've built programs and made investments that have furthered opportunities for students and entrepreneurs from underrepresented groups.¹

But these efforts are only a start. In our view, one of the most effective ways to achieve transformational change is to build more equitable systems, and better equip people within those systems to identify and root out inequity. We need systems and data that drive inclusion within our workforce and our products. And we need to inspire empathy among people — from all backgrounds — to better understand the lived experience of underrepresented groups. This Snap Diversity Annual Report recounts our efforts and shortcomings, and offers a way forward.

Section I of the report outlines some of the important steps we have taken in recent years. It then walks through our comprehensive strategy for driving change in our workforce, our products, and as a member of a wider industry and world. That going-forward strategy includes various key initiatives that are already underway. For example:

- We are enhancing our recruiting process to drive diverse hiring, and setting representation goals for underrepresented groups
- We are linking our executive leaders' performance outcomes to meaningful contributions to our DEI strategy and goals
- We have instituted a living wage pledge minimum employee salaries of \$70,000 for all roles in our headquarters, in addition to equity grants — and are rolling it out across the globe

 And we are planning our first-ever audit of our Discover content mix to understand our baselines for representation and portrayal to create specific goals for inclusive content

Section II of the report provides a deep dive on our full 2019 workforce data, including demographic, intersectional, hiring, and attrition data:

- Overall, women made up 32.9% of Snap's global workforce in 2019, an increase of 0.9% from 2018
- We made progress in women's leadership, adding 1.1% in the Director+ population (up to 24.3%) and adding 9.6% in the VP+ population (up to 30.3%); these lifts were driven by new hires and strong retention, as no VP+ women left **Snap in 2019**
- However, gender balance within our tech teams remains low: women make up 16.1% of our tech teams and just 6.7% of our tech teams' leadership
- Although starting from a low base, we are encouraged by positive momentum: since 2017 we have seen the number of women in tech roles increase by 48.7%, and in our tech leadership by 50%
- Black/African American and Hispanic/Latinx remain underrepresented in Snap's US workforce: 4.1% and 6.8%, respectively
- In 2019 overall Black/African American representation at Snap increased 0.6%, and Hispanic/Latinx representation increased 0.5%
- Snap's Native American/Alaskan Native population is <1% of Snap's US workforce
- Snap's leadership (Director+) is 16.5% Asian, 2.6% Black/African American, 2.6% Hispanic/Latinx, 7.0% Multiracial, 0.9% Native Hawaiian/Pacific Islander and 70.4% White
- Our senior leadership team (VP+) is 12.9% Asian, 3.2% Black/African American, 3.2% Hispanic/Latinx, 6.5% Multiracial and 74.2% White
- Again, the lack of diversity is most pronounced in tech roles: 91% of our team members in these roles are White or Asian

We are determined to do what it takes to improve these numbers, because behind the numbers are real people. We want talented people from all backgrounds to have an equal opportunity to work and succeed at Snap. For this reason, in 2019 we elevated our inclusion work by hiring our first VP of DEI, Oona King, and reorganized our DEI efforts around an augmented (and renamed) IDEA Team (Inclusion, Diversity, Equity & Awareness). We also collected a more inclusive DEI data set: Our first DEI Self-ID Survey enabled US-based employees to self-identify as LGBTQ+, people with disabilities, veterans, or first generation in their family to attend college. The Self-ID data collection is voluntary, and 60% of our US team completed the survey. Later this year, we will begin a global rollout of this expanded data collection.

We offer this report with humility about where we stand now — but also with ambition. We will first continue to improve within Snap, and then work to open-source the future of DEI. We want to collaborate on solutions that work and share them with our peers as well as tomorrow's startups, including our growing network of developer partners. We want to help our industry find collective solutions. Above all, this problem is not for underrepresented groups — or a DEI team — to solve. At Snap, creating a fairer, more inclusive, and truly anti-racist culture is everyone's job.

¹ This term includes but is not limited to people who identify as women, non-binary, LGBTQ+, veterans, people with disabilities and some racial/ethnic groups. Generally, Asian communities are not considered underrepresented in the tech industry and are not included in our definition in this report. We recognize that "underrepresentation" differs based on location. For example, although the Asian community (like the White community) is overrepresented in the tech industry in the US, the Asian community is underrepresented in the tech industry in the UK and Europe.

Section I

Snap's Strategy

SECTION I: Snap's Strategy

The DEI journey is hard. We've observed a number of shortcomings at Snap and in the industry broadly.

We believe a lack of ownership has been a key barrier to improving DEI outcomes:

- Leaders and teams often lacked clarity about where to start and what to do
- · An absence of team-level DEI data made measuring success impossible
- · DEI teams were often buried far beneath the C-suite
- Sensitivities around DEI made C-suite leaders wary to take bets
- Majority groups were unaware of the extent of barriers, systemic bias, and daily struggles faced by underrepresented groups

Lacking strategic clarity, Snap and other companies also faced a critical deficit in what we believe is the DEI "secret sauce" — intrinsic motivation. Majority groups were not inspired to take responsibility for the problem. And people who didn't know what to do were not inspired to be part of the solution.

Taking all of these as learnings, we have developed a DEI strategy that sets out to redesign our systems, inspire empathy, and use positive accountability to drive meaningful change.

Our goal is to drive that change at three levels: within our team; in the content, products, and services that we provide through Snapchat; and in the larger ecosystem in which we buy services and work with external partners. Below we address those three focus areas in turn — People, Product, and Community.

We have developed a DEI strategy that sets out to redesign our systems, inspire empathy, and use positive accountability to drive meaningful change.

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SECTION I



Snap Headquarters, Santa Monica, Ca

People

Within Snap, we are committed to creating an inclusive environment that reflects our values and drives attraction and retention of underrepresented talent. In this section we address our efforts to date and then describe our plans for the future.

People — Snap's DEI Journey to Date

We began building the foundation for our DEI work in 2015 when Snap had a few hundred employees. In the following years, we launched unconscious bias training for our entire workforce, expanded efforts to diversify our recruiting pipeline, improved the diversity of our leadership team, rolled out enhanced benefits to better support all members of our team, and launched career readiness programs for students from underrepresented groups. In the last year, we have made a number of key investments in a more holistic DEI program, starting with each executive leader setting specific DEI Objectives & Key Results (OKRs) for their organizations.

Recruiting

In 2018, we expanded efforts to diversify our recruiting pipeline at all levels, with executive sponsorship to focus both people managers and recruiting teams on hiring diverse talent. On top of recruiting diverse talent, we also created programs internally to retrain and develop diverse talent. These programs include our Women in Tech mentorship program, Snap's Leadership Program for Women, and our Snap Up rotational apprenticeship program.

Women in Tech pairs women in our product, design, and engineering organizations with a more senior woman leader or an ally for a six-month mentorship program, designed to

give mentees both a source of guidance and a connection with a more senior leader who can help with career opportunities.

Snap Up hires engineering apprentices with little to no traditional tech work experience, thus helping to remove a common barrier to entry into the industry for engineers from underrepresented or underprivileged groups. The program provides nine months of engineering rotations and a detailed training experience to accelerate the cohort's success by building skills and a network of Snap engineering allies.



Snap Up Apprentices

Executive Diversity Goals

At the end of 2019 each member of our executive leadership team developed diversity goals in their 2020 strategic plans. These include separate goals, as applicable, for diversity within each leader's team, products, and wider industry ecosystem. In April 2020, we also launched an analytics tool, Diversity Data Dashboard, that provides up-to-date data for each leader on gender and race around hiring, leadership, and attrition. This tool helps leaders check their team's progress toward Snap's goals.

Strategic Plan

In 2019, we developed a DEI Strategic Plan that will guide our efforts going forward. Some of the initiatives, including our executive diversity goals, linking executive performance outcomes to DEI, and The Big IDEA speaker series — flowed from that Strategic Plan, and are already in place. The Plan also includes other critical elements that we are implementing in 2020 and the coming years.

The Strategic Plan is oriented around three pillars: Leadership, Accountability and Inspiration. The Leadership pillar calls for Snap executives to drive team-led DEI goals and increase their teams' exposure to DEI thought leadership. It holds them to high standards on implementing recruiting enhancements and, where applicable, strategies to diversify our product offerings. The Accountability pillar calls for Snap teams to set aspirational goals for each DEI initiative and then track progress. It requires strong DEI governance and reliable DEI data. The Inspiration pillar recognizes that to succeed, we must create an inclusive culture that requires everyone at Snap to own and work toward our DEI goals. It focuses on using storytelling to inspire allyship and inclusion, and on efforts to partner with others in the tech industry to drive progress. This Plan sets out to redesign systems, inspire empathy, and create clarity around our goals.

The specific tactics we are already implementing and will implement over the next few years flow from these goals. We discuss the initiatives we are already implementing below, and our go-forward plans beginning on page 18.

Among the key go-forward plans: First, we will launch systemic changes to the way we hire and support our team members. Second, we will build pipelines for increasing diverse talent in our industry. Third, we will continue to innovate on products that help reduce bias and hate and reflect the diversity of the Snapchat community.

As part of this work, we commissioned a study from DEI experts at Harvard Kennedy School to advise on the most impactful strategies for developing a more diverse workforce. We are currently doing an in-depth analysis on one of the study's core proposals, the "Gender Proportionality Aspiration," to determine if it will help us drive greater gender balance on our team. The full study is available in our Appendix.

As a global company, with a global workforce and community, we believe we must develop country-level DEI plans for each Snap office that reflect its unique DEI landscape. As we work on building and putting those local plans into action, we will also begin the rollout of our expanded self-ID survey to offices outside the US to collect more inclusive DEI data that is reflective of our global workforce.

Training

We first rolled out unconscious bias training for team members in 2017. We now require it for everyone and we are making progress toward that goal: By the end of 2019, 73% of Snap team members had completed the training, and that percentage has since risen.

In recent years, we have introduced additional training programs to increase DEI awareness and expertise across the business.

We launched customized e-learning to scale unconscious bias training for new hires; hosted mandatory DEI training for all recruiters; rolled out a formal allyship program to promote behaviors that are critical for an inclusive culture and provide training for team members globally; and piloted cultural appropriation training for product teams.

Leadership

We substantially diversified our leadership team in 2018 and 2019:

- With the addition of four new women executive leaders in the last two years, our executive leadership is now 33.3% women, 8.3% Black/African American, 8.3% Multiracial and 83.3% White
- At the Vice President leadership level, 30.3% of team members are women, 12.9% Asian, 3.2% Black/African American, 3.2% Hispanic/Latinx, 6.5% Multiracial and 74.2% White
- Our Board of Directors is 30% women, 10% Black/African American, 10% Multiracial and 80% White

Linking Performance Outcomes to DEI

Snap expects all its leaders to truly commit to meaningful change around DEI. One component of the performance outcomes for Snap's Executive Leadership Team (C-Suite) is whether they actually drove a more diverse workforce and inclusive culture at Snap. We also commit to more deeply incorporating diversity, equity, and inclusion into our performance review process for all employees.

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Data Collection

We launched our inaugural employee self-ID campaign for US-based team members to improve the quality and breadth of our DEI information. This dataset is more inclusive than traditional DEI categories and is helping us bring more underrepresented groups into our DEI efforts, such as LGBTQ+, people living with disabilities, veterans, and first-generation college students.

Bias Management

We created resources to help team members manage potential bias in performance feedback, recruiting, and onboarding processes. These include giving team members foundational learning about how to manage bias, providing real-time reminders to manage their bias while writing performance reviews, providing interviewer training, and building conversations around bias into the performance management process.

Performance Reviews

We built our Snap values (kind, smart, creative) into performance reviews, using a research-based behavioral model, and we restructured our performance feedback process around values-based behaviors. Our values-based behaviors promote higher levels of emotional intelligence (EQ), an essential component for inclusive leadership. The review process now incentivizes and rewards team members who exhibit EQ in their interpersonal interactions and work relationships.

Council

Council is a tradition at Snap — a unique practice that gives team members the opportunity to share stories from the heart, and

take turns speaking without being interrupted. This ensures everyone has a chance to be heard. New team members at Snap are often surprised to have their first Council experience on day one, and discover Snap has a team of expert facilitators whose job is to support "deep listening" and create an empathetic culture. This helps foster an inclusive work environment where people experience a sense of belonging. In 2019, Councils occured weekly in 25 locations globally.



Council Circle

Women's Leadership

We engaged Snap's senior women leaders in a six-month program focused on building self-awareness to show up fully as ever-evolving leaders. The program was designed to help leaders dive deep into their personal and professional growth, and to create a positive ripple effect throughout Snap with the leaders bringing learnings back to their teams.

Employee Resource Groups

Our first Employee Resource Group was launched in 2016. We now have 20 ERG chapters around the world, including:

- SnapAbility: supports team members with disabilities and allies, guardians and advocates of people with disabilities
- SnapAsia: brings together team members with Asian and Pacific Islander heritage
- SnapFamilia: celebrates and elevates diverse perspectives across Hispanic and Latinx communities
- SnapNoir: provides a forum for fostering cultural understanding and professional development for people of the African diaspora at Snap
- SnapPride: supports and celebrates our LGBTQ+ community
- SnapVets: for military veterans, dependents and those who continue to serve
- SnapWomxn: supports, advances and empowers womxn at Snap
- Kaleidoscope: celebrates and supports a broad range of underrepresented groups in some of our smaller offices



Snap ERGs (L-R) — Top: SnapAsia, SnapFamilia, SnapNoir; Bottom: SnapParents, SnapVets, Kaleidoscope

This year, we added two new ERGs — SnapParents, which supports parents and caregivers at Snap, and SnapSWANA, celebrating the diversity and culture of our team members with Southwest Asian and North African heritage.

Over the last four years, our ERGs have played an instrumental role in creating a more inclusive culture at Snap. However, the burden of advocating for important DEI initiatives and accountability often has fallen on them rather than on our whole team.



SnapAsia: Lunar New Year 2019 Event, New York

Our 2019 strategy was designed to help rectify that, with new resources to better support our ERGs. New ERG guidelines provide a governance structure and explain how ERGs at Snap should be organized around four pillars of Community Outreach, Professional Development, Internal Engagement, and Business Impact. We have also worked to connect ERGs with Snap leaders. Among other things, executives sponsor ERGs and partner with them on initiatives; company leaders join ERGs in support circles through our Council program (see above); and executives work with ERGs to pilot partnerships aimed at increasing product diversity.

Enhanced Benefits

Effective January 1, 2020, we enhanced our benefits to better serve women, parents and the LGBTQ+ community. Our Paid Parental Leave program now provides 16 weeks of paid time off for all new parents to bond with their newly born or newly adopted child. And to support these new parents in reacclimating to the work environment on return from leave, Snap implemented a Return to Work program that allows eligible team members to ease back into their work environment by working from home, returning on a part-time basis, and/or returning with flexible hours — all with full-time pay. We also offer benefits for fertility preservation, infertility coverage, adoption assistance, and surrogacy assistance.

We offer transgender health coverage on our medical plan, which aligns with WPATH (World Professional Association for Transgender Health). Coverage includes medically necessary services related to gender transition such as transgender surgery, hormone therapy, psychotherapy, and vocal training. It also includes unlimited travel expenses in connection with gender transition.

We partner with Wellthy to provide care coordination support for LGBTQ+ families. This includes evaluating medical doctors with deep expertise in LGBTQ+ care and gender identity, evaluating mental health and behavioral health providers that specialize in LGBTQ+ care, and finding counseling and support groups for care recipients as well as their families.

We also have teamed up with Lyra Health to provide mental health support for all of our team members and families. Employees and eligible family members may access free therapy — up to 25 sessions per each family member per year — with a mental health therapist or coach through Lyra Health's platform.



The Big IDEA on Race, February 2020

The Big IDEA Speaker Series

In early 2020, we launched a company-wide speaker series called The Big IDEA to foster frank conversations on race, gender, privilege, sexual orientation, disability, and

socioeconomic status. These conversations offer team members the opportunity to share their own experiences. We've found that this is a powerful way to build empathy, allyship and inspiration — and to help our team members from majority groups better understand what it's like to live and work as a member of an underrepresented group. Following The Big IDEA on race (held in February 2020), and gender (April 2020), Snap's Council team has led over 70 reflection Councils on race and gender.

Snap Engineering Academy

At Snap, it is a top priority to support programs that promote STEM (Science, Technology, Engineering and Math) and Design — with an emphasis on providing access to students from underserved communities. To empower the next generation of innovators and critical thinkers, and to help prepare underrepresented students for careers in design and tech, we recently launched the inaugural Snap Engineering Academy. Built off the same model as Snap Design Academy, the Snap Engineering Academy is a six-week summer school providing training and tools that are critical to succeeding in an evolving technology economy. Snap Engineering Academy will run simultaneously with Snap Design Academy this summer to help strengthen connection between our students with these complementary skill sets.

Career Readiness Opportunities

We separately partner with organizations that help underrepresented groups to access careers in tech and design. Our partners in this area include Global Glimpse in New York and Making The Leap in London. We are also

entering the fifth year of a partnership with St. Joseph Center's Codetalk, a vocational program that teaches women how to become front-end web developers and provides mentorship from our Snap team members.

Snap Design Academy

In 2019, we graduated our second annual cohort of design scholars from Snap Design Academy, a six-week summer design program we developed in partnership with Bixel Exchange, a nonprofit based at the Los Angeles Chamber of Commerce in 2018. The program provides exposure, training and opportunity for students from community colleges in Los Angeles. During the academy, the scholars learn design techniques inspired by Snapchat's Creative Tools and develop their portfolios with assets to show prospective employers. The academy also provides volunteer opportunities for our team members to connect with incredible local talent through mentorship, feedback sessions, presentations, and fireside chats. We now partner with LA-Tech.org on Snap Design Academy. Our third class of scholars started the program in July 2020.



Snap Design Academy

People — Snap's DEI Strategy Going Forward

Going forward, we are doubling down on many of the initiatives above but also launching systemic changes to the way we hire and support our team members. We are choosing our initiatives, and directing our resources, in line with the Strategic Plan discussed above.

Representation Goals

The changes we're making to hiring and retention can't just be about process — we want results. Our most immediate challenge is getting more women into our tech org at all levels. We are determined to ensure that Snap better reflects the racial and ethnic diversity of the world around us. We are setting short-term goals to drive immediate results, and a long-term North Star goal that will dramatically change the gender, racial and social equity and representation within our company to ensure our workforce reflects the demographic makeup of the communities where we operate.

Our goals:

- Double the number of women in tech at Snap by 2023
- Double the number of underrepresented US racial and ethnic minorities at Snap by 2025
- Long term goal: reflect the racial and gender diversity (including non-binary) of the different places where we operate

The changes we're making to hiring and retention can't just be about process — we want results.

We recognize that in the long term, increasing the number in comparison to the percent of underrepresented groups doesn't solve the DEI challenge, particularly if our company maintains its high growth rate. That is why we are combining these short-term goals with a much bolder long-term goal. We will simultaneously invest in initiatives to increase the pipeline for underrepresented talent. Some of these initiatives may take years to pay off, but will help us realize our North Star: a workforce and leadership that fairly reflects the composition of the communities where we operate.

We are determined to ensure that Snap better reflects the racial and ethnic diversity of the world around us.

As we know from the study we commissioned from Harvard Kennedy School (see Appendix):

"Goals - especially public goals - serve a critical function in mobilizing the will and the way to change behavior. Fundamentally, U.S. tech companies should manage the challenge of increasing DEI and women's representation the same way they manage all their other business-related challenges: performance targets with deadlines and rewards, underpinned by personal accountability."

To work towards these goals, we are implementing the following initiatives:

Hiring

In 2020, we began rolling out significant enhancements to our hiring process. We now require that hiring managers interview an inclusive slate of candidates before making final hiring decisions, and our interview panels are being expanded to include more diverse interviewers. We also are reviewing and rewriting our job descriptions to ensure the language in our postings is inclusive. And for jobs that may require a bachelor's degree, we added an alternative way to satisfy the degree requirement by accepting equivalent years of relevant experience in its place. Finally, we are partnering with several organizations that are dedicated to increasing diversity, equity and inclusion in hiring, such as AnitaB.org, a leading organization for gender equality in tech, and PledgeLA, a coalition of tech industry leaders in Los Angeles focused on community engagement, diversity and inclusion.

Living Wage

In 2020, we instituted a living wage for all team members in the US and plan to expand the program globally by the end of the year. In Santa Monica, our initial living wage is now \$70,000 annually, exclusive of overtime for non-exempt workers. We developed this living wage based on data from the Department of Urban Studies and Planning from Massachusetts Institute of Technology. We also provide minimum new hire equity grants of \$15,000, vesting over three years, to encourage team members to grow wealth with the company. In Santa Monica, this results in an annual minimum living wage of \$75,000. We will ensure our living wage levels are geographically appropriate by using wage data from our third-party compensation survey provider.



Snap Office, New York

Mentorship

To continue to focus on improving retention rates, we will expand mentorship and other professional development support to more SNAP INC. DIVERSITY ANNUAL REPORT 2020 SECTION I SNAP'S STRATEGY 20



Snap Internship Program

team members at Snap. Across our product, engineering, and tech teams, this year we expanded our existing Women in Tech mentorship program to other underrepresented groups, including underrepresented BIPOC² (Black, Indigenous and People of Color).

Disability

At Snap we want to make our culture and product more inclusive of people with disabilities. We plan to take account of the lived experience of people with disabilities, and access the talents of these communities by breaking down traditional barriers of entry into the industry. For this reason we partnered with DisabilityIN for the first time in 2020, and are undertaking the Disability Equality Index to create a roadmap for disability inclusion.

Apprenticeships and Internships

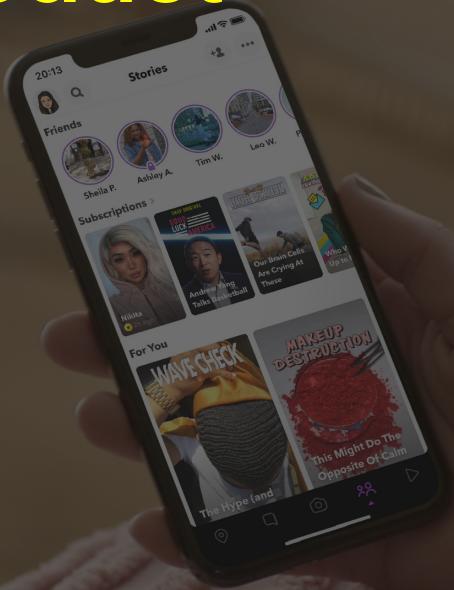
We will double down on our existing efforts to expand internship opportunities for underrepresented talent across all of Snap — including opportunities for scholars from our Snap Design Academy and Snap Engineering Academy. We are also expanding our Snap Up apprenticeship program.

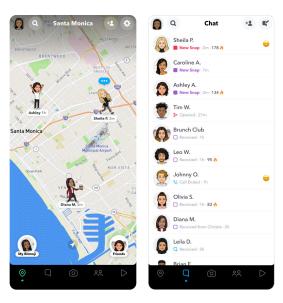
Our global internship program continues to be an important investment in diverse talent, spanning both tech and non-tech teams. In 2019, our intern class was 130 team members globally, and the cohort was 51% women and 22% underrepresented BIPOC; in 2020, our intern class (year to date) is comprised of 170 team members globally: 42% of whom are women and 26% of whom are underrepresented BIPOC.

² As used here, this term includes persons that identify as Black/African American, Hispanic/Latinx, Multiracial, Native American/Alaskan Native and/or Native Hawaiian/Pacific Islander. It does not include people that identify as Asian for the reasons in footnote 1.

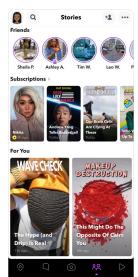
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Product











Snapchat Action Bar Navigation

Product

We believe there is no place for racism and hate speech on our platform and the way we have designed our platform from the beginning is consistent with that belief.

We deliberately built Snapchat as an alternative to social media; on Snapchat, your communications with friends are deliberately separated from content provided by professional media organizations. Close friends can connect without the pressure of public likes and comments, and our content platform, Discover, is closed, curated, and features trusted publisher partners.

To develop inclusive products, we must achieve greater diversity in the way we develop our products and content — and continue to harness the power of our technology to help reduce hate and bias.

Moreover, we believe it's not enough to simply flag or identify hate speech as it spreads on a platform. We've actively chosen to fact check political ads and to avoid promoting accounts on our Discover platform that spread hate or incite violence. Our Community Guidelines reinforce for all Snapchatters that we won't tolerate hate or violence on our platform.

That said, we can and must do much more. We are committed to building products that are fully inclusive of gender, race, ability, sexual orientation, age, socioeconomic status, geography and more. To develop inclusive products, we must achieve greater diversity in

the way we develop our products and content - and continue to harness the power of our technology to help reduce hate and bias.

Machine Learning

Machine Learning (ML) is an incredibly powerful tool that helps provide relevant, personalized experiences on content and communications platforms. For example, ML can be used to suggest which public figures' accounts you might want to follow and which entertainment content might appeal to you. ML-based algorithms typically develop those suggestions by training on data sets and analyzing usage patterns: Users often are shown similar content based on their previous consumption and that of other users with similar tastes.

That is why it's critical to ensure that ML development occurs with diverse outcomes in mind: If it does not, the resulting algorithms may attach unconscious bias to products. For example, they may see that you and users in a similar cohort chose to follow a public figure of a certain race or gender, and they may then suggest other public figures with similar profiles. Or, they may see that users similar to you tend to choose particular kinds of entertainment, and then suggest more content that follows a similar pattern. This approach to ML can create strong engagement — but left unchecked, it also feeds the echo chamber and hampers diverse outcomes, making it harder for diverse voices to find an audience.

At Snap, we're working hard to ensure that doesn't happen. The key, in our view, is to ensure that ML development is human-guided by diverse teams. Our goal is to recruit, coach, train and build a diverse and inclusive group of employees to create ML systems. Increasing the diversity of our tech workforce across the board will also help us reduce stereotypes and avoid bias. We believe that the responsibility to prevent bias in our product rests on every member of our team — and we want to arm all team members with the tools and knowledge to do their part.

We also have made other important investments to ensure that ML enhances diversity, rather than hampering it. For example, we ensure that our engineers, designers, and scientists have access to diverse training data sets to build their models. We invest in unbiased and independent testers, moderators and quality assurance teams to vet models for biases and potential discrimination. And we use explicit "exploration" mechanisms to ensure that our community is exposed to new and diverse content experiences. This approach more equitably distributes views to a broader group of diverse creators. And just as importantly, it teaches our ML models that diversity and inclusion of different views should be part of their native function. Intentional diversity thus becomes a virtuous cycle.

To date we're just scratching the surface in this area. In 2020 and coming years, we plan to ramp up our investment in each of these initiatives, including efforts already underway to improve how we bake inclusion into the front end of our product design process.

Lens Creators

Lens Studio is a powerful, free desktop application that lets anyone create and publish augmented reality Lenses on Snapchat. Our

creator community is constantly pushing the boundaries of what's possible with AR; today there are tens of thousands of creators worldwide using Lens Studio and they've made over one million Lenses.



Official Lens Creators

Our Official Lens Creator program is a global community of more than 175 talented AR creators from over 35 countries who are passionate about advancing augmented reality together. We support our Lens Creator community through learning and development opportunities, partnered and sponsored opportunities, and more.

We are committed to increasing the diversity of our Lens creator community — both for students and professional creators. In 2021, we aim to build a Lens creator curriculum that we can pilot at colleges with diverse student populations.

Here For You

Earlier this year we launched Here For You, a feature that surfaces resources from expert partners when Snapchatters search for certain sensitive topics, such as anxiety, depression and other mental health challenges, domestic violence, and stress related to COVID-19. In recent months, we expanded our partners to include more that reflect the diversity of our community, including The Human Rights Campaign, and are currently working to onboard partners who specialize in supporting members of the BIPOC community.

Discover Content and Partnerships Audit

Discover is our hand-curated content platform. We purposefully built Discover as a closed platform to ensure the content our community sees comes from trusted media partners and vetted creators, and is consistent with our values.

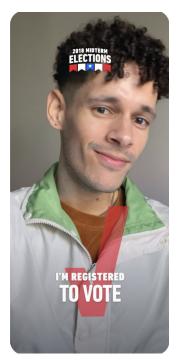
Our content formats include coverage of news and events produced by in-house editors at Snap, media coverage produced by professional publishers, and original content (such as Snap Originals). Since launching Discover five years ago, we have invested in storytelling that reflects the interests and demographic makeup of our community across each of these content formats. Over the past year, our Snap Originals offering has expanded, and we have increased the number of shows that explore inclusion, racial justice and other key social issues. We outline these efforts in more detail in our Appendix.

To help us continue to expand Discover's diversity, we have launched the first-ever formal audit of our content mix to understand our baseline for demographic representation. We will use the results of this audit to set targets to increase the diversity of our content and partners to ensure they better reflect the diversity of our community.

Voter Participation

A critically important way we can empower people to express themselves is to ensure our community understands the power of their vote — and uses it. We have prioritized using our products to help Snapchatters register to vote, learn about the issues and candidates, and get to the polls. For the 2018 midterm elections in the US, we helped over 450,000 Snapchatters register to vote, and 57% of those who registered through Snapchat voted.

We globalized our voter initiatives in 2019, working with governments to empower civic engagement in India, Canada, Austria, Australia, Argentina, Mexico, the UK, and the European Union. For the European Parliamentary elections involving 28 member states — Snap's biggest voter engagement initiative to date — we activated a campaign that helped increase youth voter participation rates and localized the campaign in 12 languages. Through content and product engagements on Snapchat, we helped voters around the world connect with their representatives and make informed decisions about the future of their communities. In the UK, Snap helped contribute to the highest day of voter registrations the Electoral Commission had ever seen — especially for the unique 18-to-34-year-old cohort. These activations





Snapchat Voter Registration

have contributed to increasing voter registration, voter education and voter participation, particularly with a younger demographic that traditionally has been difficult to engage. Earlier this year, we launched a new feature that gives each Snapchatter a link to voter registration tools when they turn 18. In the coming weeks, we will launch an extensive voter engagement campaign for the US 2020 election. We will use all aspects of Snapchat — including content, creative tools, and our Snap Map — to provide our community with accurate information to learn about voting, register to vote and vote.

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Community



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Yellow, Class of 2019

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Community

Snap has DEI in the DNA of our corporate values: kind, smart, and creative. We want to bring that to life not just in our workforce and products, but in the world around us.

We work with a wide range of partners across many industries, from our advertising clients to content and product partners to suppliers. We also support start-ups, content creators and entrepreneurs through our developer platform, Snap Kit, and our Yellow Accelerator, which invests in companies at the intersection of creativity and technology.

We want to use our purchasing power and partnership power to help level the playing field, increase access to opportunity and knowledge, and drive positive change — both inside and outside our company.

Open Source DEI

We will work with other businesses and outside experts to significantly improve our approach to DEI — starting by convening an Academic & Industry Working Group to produce a study of

DEI efforts in technology in Q1 2021. The study will recommend areas where the tech industry can collaborate to drive the greatest DEI impact. We will make our collective work publicly available to help form a foundation for collaboration on DEI across the technology industry.

Supplier Diversity Program

We have begun a comprehensive audit of our supplier base. We will use the findings to set commitments for increasing our spend with suppliers owned by underrepresented groups in Q4 2020.

Advertising Partners

We are in the process of auditing all of our trade association partnerships for their commitment to diversity and equality. To increase representation among our advertiser base, we are partnering with Official Black Wall Street to identify and activate Black-owned businesses on our ad platform.

In addition, we will relaunch our client Creative Council across North America, the UK, France and Australia, with an emphasis on diversity. In North America specifically, we are partnering with ADCOLOR to launch a Council that elevates Black creative leaders with a focus on driving racial equality.

Yellow

From its inception in 2018, Yellow has invested in companies with founders from diverse backgrounds, like Wabisabi Games and Stacks, as well as companies that are specifically uplifting underrepresented voices, like CONBODY and Quirktastic, Of our 29 investments to date:

- 48% have had a female founder
- 55% have had a BIPOC founder
- Specifically, 21% have had a Black founder and 10% have had a Hispanic or Latinx founder

While we are extremely proud of the companies we've been able to support, we know there is so much more work to do. We are committed to continuing to invest in a diverse group of founders and companies — and helping cultivate a diverse tech ecosystem in the Los Angeles area, where we are headquartered and have the largest concentration of employees.



Corporate Social Responsibility

Snap does a wide variety of other work to make a positive impact, and much of that work intersects with our DEI efforts. CitizenSnap is the umbrella group that brings together all of the teams at Snap working on these Corporate Social Responsibility initiatives. Read our full CitizenSnap report here.

Conclusion

Snap's success in DEI — like anywhere else depends on leadership, inspiration, and accountability. Our data deserves to be under great scrutiny, not least by ourselves, as it falls short of our ambitions. This is a challenge for both systems and people. Although the challenge is complex, the question is simple: Can we design our systems to override bias and motivate our team to champion equity? Our team is passionate about doing more and doing better. We believe the strategies in this report will help build DEI muscle across our business, and in turn boost creativity and innovation — prerequisites for Snap's long-term success. That is why we will hold ourselves accountable, and why we view DEI as in everyone's interest — and everyone's job.

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SECTION II

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Section II

Snap's Data

Data Notes

Gender: all gender is global unless stated otherwise. Current regulatory gender reporting is binary, and does not allow for individuals to identify as non-binary. That is why we collect non-binary gender data using our own DEI self-ID survey (see page 36).

Race/Ethnicity: all race/ethnicity data is US-only, unless stated otherwise.

Rounding: all percentages have been rounded to the nearest tenth. As a result, in some cases, the percentages for total gender and/or total race/ethnicity may not add up exactly to 100%.

Hispanic/Latinx: the term Hispanic refers to communities with Spanish-speaking origins. Latino is a broader term that includes anyone of Latin American origin, including groups that may not be Hispanic (i.e. Brazilians). In this report we have chosen to use Hispanic/Latinx as it is inclusive of both these communities and is also gender inclusive, though we recognize another option is Latino/a/x.

Multiracial: a standalone category in our data that represents a person who identifies as "two or more races" as categorized by US government reporting standards. We understand this methodology doesn't represent all the racial categories a multiracial person may identify with, and are looking to adjust the way we collect and report on our data next year. The current multiracial category may therefore include people who also identify as Asian, Black, Hispanic etc.

Tech: defined at the individual team member level based on the specific characteristic of their job and includes team members across all organizations that manage technical products or processes, develop systems or software, work on the development of products and tools, or require and utilize a specialized engineering background in their role. Tech roles include software engineers, product designers, and data scientists, among other job roles.

Non-Tech: defined at the individual team member level based on the specific characteristics of their job and includes team members across all organizations that do not fall into the Tech category as defined above. For example, Non-Tech roles include executive assistants in the engineering organization.

First-generation college student: defined as a person who is the first in their family to attend college. We based this on the level of education a person received compared with the highest level of education their parents/guardians received.

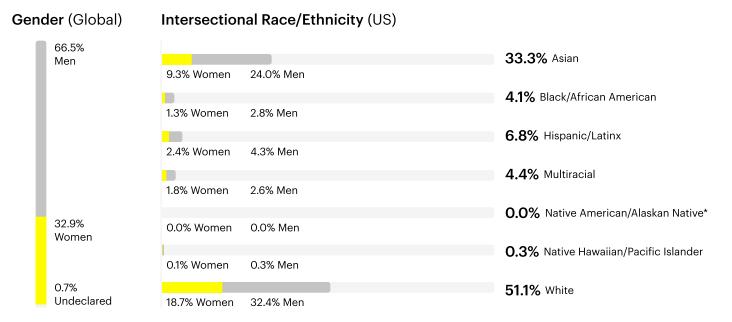
Military Organization: not limited to service within the US and includes US-based employees that have served in a military organization of a country other than the US.

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Snap's 2019 workforce representation data

As many tech companies began publishing workforce representation data over recent years, Snap did not immediately follow suit. At the time, we didn't feel that publication of data alone would lead to widespread change; instead we shared our data with our team internally. We now understand that more transparency of our own data, combined with our strategy moving forward, will drive more accountability.

Representation

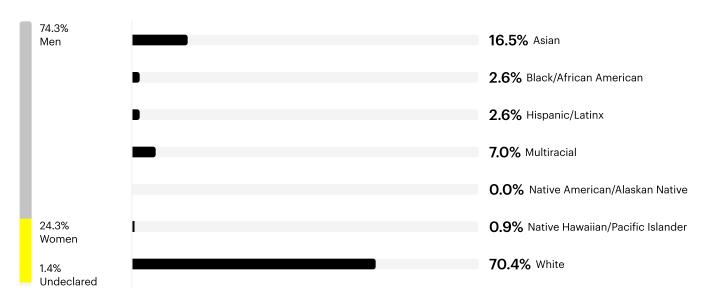


*A small percentage (0.04%) of our population identifies as Native American/Alaskan Native but are not captured here due to rounding. See our Data Notes on page 30 for notes on rounding.

Leadership

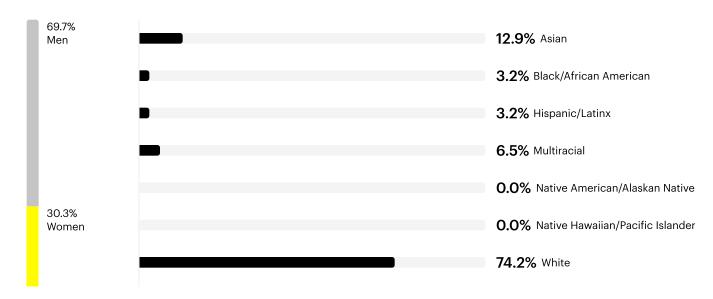
Director+

Gender (Global) Race/Ethnicity (US)



Vice President+

Gender (Global) Race/Ethnicity (US)

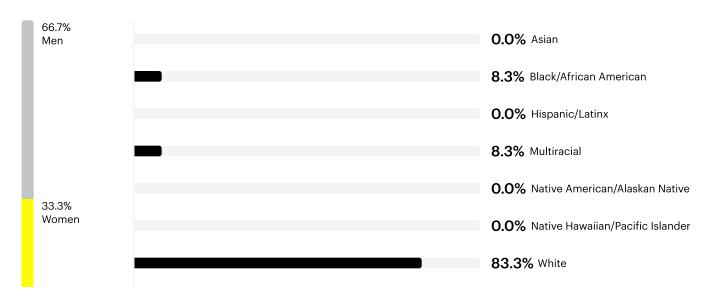


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Leadership

Executive

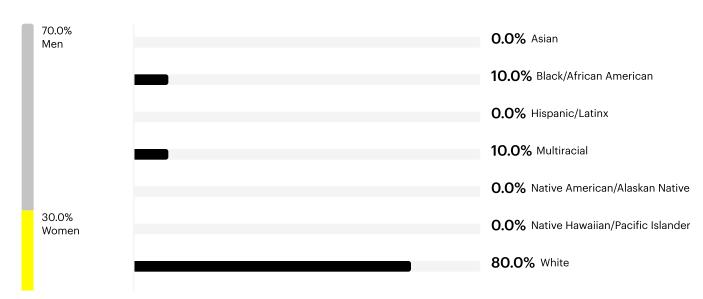
Gender (Global) Race/Ethnicity (US)



Executive is defined as Snap's Executive Team, which includes Snap C-Suite and additional members of the team that report to our CEO and serve as a member of the Executive Team.

Board

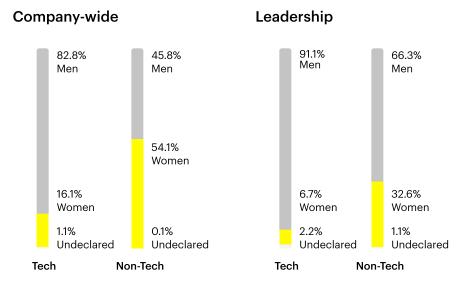




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Tech/Non-Tech

Gender (Global)



Leadership is defined as Director level and above.

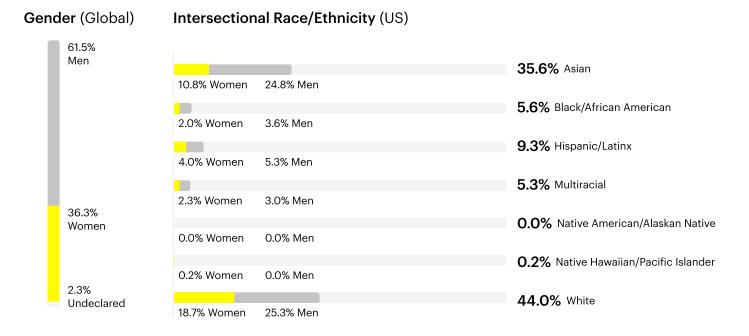
Race/Ethnicity (US)

Tech		Non-Tech	
Asian	48.4%	Asian	14.6%
Asian	2.3%	Asian	6.2%
Black/African American		Black/African American	
Hispanic/Latinx	3.4%	Hispanic/Latinx	11.0%
Multiracial	3.1%	Multiracial	6.0%
	0.0%		0.1%
Native American/Alaskan Native	0.2%	Native American/Alaskan Native	0.5%
Native Hawaiian/Pacific Islander	0.2%	Native Hawaiian/Pacific Islander	0.5%
White	42.6%	White	61.6%

We define Tech at the individual team member level based on the specific characteristics of their job. See page **30** for full definition.

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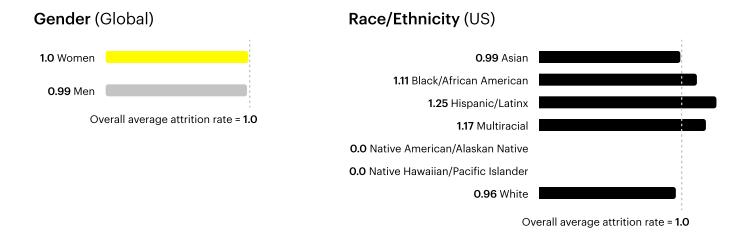
Hiring



Hiring data represents hires by group as a percentage of total hires.

Attrition

Average Attrition Index



Snap's average attrition rate represents 1.0 on the index above. Groups where attrition is above 1.0 have a higher attrition rate than the average. Groups where attrition is below 1.0 have a lower attrition rate than the average.

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SECTION II

SNAP'S DATA

A More Inclusive Dataset

In 2019, we launched Snap's first DEI Self-ID Survey, enabling US-based employees to self-identify as LGBTQ+, having a disability, being a veteran, or the first generation in their family to attend college (as a proxy for socioeconomic status).

The Self-ID Survey is voluntary, and 60% of our US team responded. Later this year, we will begin rolling out the survey globally.

0.6% identify as gender non-binary

0.1% identify as transgender

7.2% identify as part of the LGBTQ+ community

identify as a first-generation college student

3.6% currently or previously serving in a military organization

4.6% identify as living with a mental or physical disability

You can view our most recently filed EEO-1 Report <u>here</u>. This report includes US government reporting data for US employees as of November 2018. While we want to make the document publicly available, we believe the data shared above is a more accurate, insightful and inclusive reflection of our global workforce.

Appendix

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APPENDIX

Appendix

<u>Study commissioned</u> from Harvard Kennedy School of Government (Executive summary here).

Snap's Programming

A guiding principle of our Discover platform has been to help our community learn about the world around them through diverse editorial perspectives. We have doubled down on this principle over the past year, as we continued to expand our slate of Snap Originals to include more offerings that focus on inclusion. Our 2018-2019 programming announcements included:

- "While Black with MK Asante," a Snap
 Original that explores what it means to
 be young, gifted and Black in America.
- "Growing Up Is a Drag" follows the coming-of-age story of a group of teen drag queens.
- "Good Luck America," our first Snap
 Original, has been regularly covering
 critical social issues since it launched
 in 2016, from the fight over mandatory
 minimum sentencing for drug
 offenders to voting rights to the racial
 disparities of COVID-19.
- "Everything's Fine," a scripted comedy set to air later this year, tells the story of a young woman trying to make it in the music industry while balancing a new bipolar diagnosis.
- "The Honeybeez of ASU" follows a plus-size HBCU dance squad.

- "Nikita Unfiltered" follows transgender beauty mogul Nikita Dragun as she dates as a woman for the first time.
- "Mind Yourself" shares an honest look at young people facing mental health issues.

Our upcoming content will raise the bar again. The "Speak Up Series," a syndicated show coming soon to Discover, aims to raise awareness about racial inequality and systemic racism facing the Black community in America. And our new slate of Snap Originals, just announced in June, will continue to elevate underrepresented voices through new series that are reflective of our community's experiences and passions. They include:

- "Life by the Horns," which follows
 Ezekiel Mitchell, a 22-year-old destined
 to be a cowboy, on his life-or-death
 journey to become the best bull rider
 in the world and the first African
 American to win the title in over 35
 years.
- "First Person," shares the stories of extraordinary people across the globe creating positive change, as they fight to protect our planet.

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- "Frogtown," follows a young skater living in her car who lands a second family when she falls in with a diverse, all-girl crew at the Frogtown skatepark in East Los Angeles.
- "Queen of Stylez," follows celebrity transgender hairstylist Tokyo Stylez, who has made a name for herself working with celebrities.

We have also prioritized diversity when onboarding creators, shows and publishers in the last year, including, VH1's "Brunch with Tiffany," AwesomenessTV's "My Dream Quinceañera," Combate Americas, Latinos Talk, No Limits, The Lily, Prince EA, Anwar Jibawi, Lele Pons and Pero Like. They join long-standing partners including The Breakfast Club, PinkNews and Keep It, and new partners like The Shade Room and NoahFinnce.



Snap Inc.
Diversity Annual
Report 2020