

Snap Inc.

2020 CitizenSnap Report



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

We help fulfill our mission by being a force for good through our products, our work to strengthen our communities, our efforts to make a positive impact on the planet, and our inclusive workplace.

In 2019 and early 2020, our team doubled down on our efforts across all these areas. To take just a few examples: We globalized our voting initiatives, activating a campaign for the EU elections that boosted youth voter participation in the 28 member states. We reduced disposables in our cafes by 29%. We prioritized bullying prevention, mental health, and suicide prevention on the Snapchat platform. We increased the diversity of our leadership team. We committed to pay a robust living wage -- more than \$70,000 per year at our headquarters office -- to all team members, regardless of job function.

We made the Snapchat app carbon neutral by cutting its energy use and buying qualified offsets. And our team members spent over 10,500 hours on company-sponsored service projects, assembling STEM kits for elementary students, serving meals at community kitchens, and setting up urban gardens.

These examples are just the tip of the iceberg. This 2019 CitizenSnap report provides a deeper dive into what social and environmental responsibility looked like at Snap over the past year. It is organized into three pillars: Society, Planet, and People. Read on for an overview of each section, and click into the sections to learn more.



Society

Community & Giving

Overview

Snap spreads positivity and kindness in the world by giving back. We care deeply about being a good neighbor and thoughtfully consider how we can make the greatest impact by bringing together our Snap family with our local communities. Snap does more than write checks. We strengthen and promote the well-being of the neighborhoods where we work through volunteering and engaging in partnerships with nonprofits focusing on our three philanthropic pillars — youth, education and the arts.

Our philanthropy program empowers our team to make a difference globally by acting locally. We do this by building long-term, sustainable partnerships with local nonprofit organizations with deep roots in the communities where we work.

We invest in giving at the local and state level to support organizations that are working hard to find solutions to pressing issues focused on youth, education, and the arts. We provide funding to trusted nonprofits that improve education in underfunded schools, use coding as a means to lift women out of poverty, champion the creativity of underserved youth, and drive other important initiatives for positive change.

Volunteerism

While we provide financial resources, we emphasize volunteering our time and talents. We provide meaningful opportunities for team members to do good in their neighborhoods through our company-wide volunteer initiatives, Snap CAMP and Snap CAMP Plus — soon to be reimaged as Snap Philanthropy and Self-Directed Philanthropy.



Snap CAMP (Community, Arts & Mentorship Projects) is our company's unified service program that brings the team together around our philanthropic mission of spreading positivity and promoting the well-being of our local communities by supporting youth, education, and the arts. In any given week, team members can be found serving dinner to young people experiencing homelessness, doing creative art projects with elementary schoolers, building playgrounds at under-resourced schools, mentoring high schoolers at monthly meet-ups focused on professional and personal development, teaching unemployed women how to code, leading English-language learner workshops, bringing joy to homeless children through the magic of birthday parties, and so much more. Throughout 2019, our team participated in more than 10,500 hours of company-sponsored service initiatives, supporting causes in 28 cities across 15 countries.

Self-Directed Philanthropy is our volunteer time off policy that further supports team members who are passionate about helping others. Each month, team members are allotted four hours of paid time off to volunteer with charities that support youth, education, and the arts. These hours are in addition to time spent volunteering with company-organized Snap CAMP projects. Team members who use all of their Self-Directed Philanthropy hours in a quarter are eligible to win a \$1,000 donation from Snap to the charity of their choice. Through Self-Directed Philanthropy, our team volunteered in their communities and offered homework help to elementary schoolers, became big brothers and big sisters to young people, coached flag football at after-school centers, taught JavaScript and web development to high schoolers, and more.



Tobi Ruth, a Manager on the Communications team, was drawn to a charity called Afrika Tikkun, which works in South Africa with young people affected by the impact of apartheid. As part of her volunteer responsibilities, Tobi Ruth worked closely with the charity's UK CEO, building out the nonprofit's communications and marketing plan for social media. She also managed the Snapchat and social media accounts for the nonprofit during key events, and spent time with some of the youths, aged

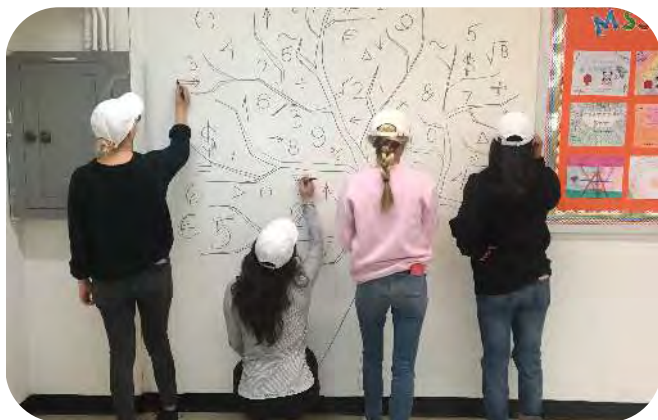
15 to 19, mentoring and sharing her experience and career journey.

For Tobi Ruth, winning \$1,000 for Afrika Tikkun on behalf of Snap is an opportunity to keep on giving to an organization that she holds dearly. The funds will “go towards the work in the centers — they are situated right in the center of townships and are a pillar to the communities they serve,” Tobi Ruth said. “They need all the help they can get and \$1,000 will go a long way!”

Our team members spread positivity on an even greater scale than ever before in 2019. Below is a snapshot of four of Snap’s initiatives.

Snap CAMP Day Out

Sixty-one percent of our team participated in our second annual Snap CAMP Day Out, our global day of service, which takes place on World Kindness Day (November 13). Our team came together to make a big impact in a single day by completing 48 service projects in 15 countries, including assembling STEM-related kits for elementary students, inspiring high schoolers to continue their education, serving warm meals at community kitchens, and setting up urban gardens.



Snap Design Academy

We graduated a second cohort of design scholars from Snap Design Academy, a six-week program we established in partnership with education-focused nonprofit Bixel Exchange. The program provides exposure, training, and opportunity for 20 underrepresented students from community colleges in Los Angeles. During the session, the scholars learned design techniques utilized by our internal teams, all the while building their own portfolio with assets to show prospective employers.



Codetalk

Codetalk’s mission is to transform the lives of low-income and underserved women through technical training and professional skills development that empower them to launch careers in front-end web design or a related field. Snap Inc. supports Codetalk through a Mentorship Program, where employees use their expertise and industry experience to assist a student in achieving career success, through career advice, resume critiques, and mock interviewing. Through our Codetalk partnership (which began in 2015), St. Joseph Center and Snap Inc. have worked closely to deliver 12 cohorts with a sixteen-week training and mentorship curriculum that equips underserved women with the skills required to become front-end web developers.

Through this unique program, we have had the collective opportunity to transform the employment and earnings potential of low-income women by training participants for careers in the field of technology. We look forward to continuing to serve as a supporter and strategic thought partner to St. Joseph Center in order to ensure that initiatives like Codetalk continue to fit real world employment needs into the future.

Making the Leap

Over the course of 2019, London team members hosted a series of career-readiness workshops for more than 340 underserved students from high schools. The workshops are made possible through a partnership with Making the Leap, a nonprofit that helps develop skills and confidence in young people from disadvantaged backgrounds. The partnership also served to raise the aspirations of 30 young adults from disadvantaged backgrounds. We've since hired a student from the program, and she's thriving in her role as a Creative Project Manager at Snap London!



Nonprofit Partnerships

When we partner with like-minded organizations, the impact of our efforts are multiplied. Big Brothers Big Sisters, Bixel Exchange, Free Arts NYC, Planet Bravo, P.S.

Arts, Safe Place for Youth, St. Joseph Center and The Birthday Party Project are among our trusted nonprofit partners. We invest almost all of our philanthropic dollars at the local or state level, supporting organizations that are working hard to make a difference in the communities where we live and work. We are so grateful for our partnerships and for the people whose stories continue to inspire us along the way.



Bixel Exchange — Snap Design Academy

Taylor King is a single father pursuing an Associate of Science degree in fashion merchandising from Los Angeles Trade Tech College. During Snap Design Academy (SDA), well-known Los Angeles street artist ThankYouX participated in a fireside chat with the SDA scholars. Inspired by ThankYouX's story, Taylor shared his dreams of becoming a fashion designer. The two kept in touch during the program, with Taylor often reaching out for guidance and mentorship. Following the Design Academy, Taylor secured an internship with ThankYouX and is now working as his apprentice, learning creative disciplines that he hopes he can tie into his own fashion line one day.

“SDA changed my whole view on tech and companies like this. For me, this is a game changer. This is a place I want to be in. It doesn’t feel like work, and I am very confident in the skills that I have developed” — **Taylor King**



St. Joseph Center — Codetalk

Lauren had been supporting herself while dealing with the challenges of being homeless by driving ride-share for Uber. Lauren drove people all over the city by day and at night would try to find a safe place to park and convert the back seat of her car into sleeping quarters for herself and her Chihuahua pup named PiiWii. Then she applied to and was accepted to Codetalk. Lauren’s past, her experiences with homelessness, and the circumstances and trauma that had forced her there left her with a grittiness and a determination to change her life.

In the weeks leading up to graduation, Lauren was applying for jobs, honing her interview skills and refining her resume with the support of her Snap mentor Elina. In her interviews, Lauren was candid and open about her life and her circumstances, proud of her skillset and confident in her ability to bring value to the team. After several rounds of interviews and a trip to Seattle for Lauren and PiiWii, Lauren was offered and accepted a position with Uber Technologies in Seattle, working with their technical recruiting team.

“Codetalk is a lifeline. I had no idea what to expect because I often get treated a type of way when I tell people I’m unhoused. It means the world to me that Codetalk accepted me. Codetalk understands people will do the hard work to help themselves when they have the tools and support.” — **Lauren K.**

Snap Foundation

Formed in 2017, the Snap Foundation is a 501(c)(3) nonprofit funded by donations from Snap Inc. and our co-founders, Evan Spiegel and Bobby Murphy. Evan, Bobby, and Snap Inc. have each pledged to donate 13 million shares of Snap stock (39 million total, worth more than \$900 million as of mid-July 2020) to fund the Snap Foundation and have been making contributions since they made this commitment.

The Snap Foundation’s mission is to develop pathways to the creative economy for youth in Los Angeles.

Each of the Snap Foundation's decisions are held up to four primary values: innovation, collaboration, transformation, and creativity — each viewed through the lens of equity. The Foundation focuses on long-term systems change and community-centered impact.

The Foundation has focused initial efforts on testing and learning in a few discrete project areas. These include an experiment in participatory grantmaking: engaging directly with youth from the Los Angeles community to identify the matters that are most important to them and making small grants to support those causes. The Foundation has also identified a number of collaborative funding opportunities and recently started a process for responsive grantmaking to address our community's most time-sensitive needs.

Impact by the Numbers

- **10,500+ service hours** dedicated to Snap CAMP projects
- Service projects in **27 cities across 15 countries**
- **61%+ of Snap team members** volunteered at a Snap CAMP event in 2019 — a total of **1,853 volunteers**
- **1,500 pairs of Spectacles** donated for distribution to partners in our philanthropy programs to support educational programming.
- \$1.1 + million donated to local charities focused on youth, education, and the arts

Looking Ahead

Our priority remains creating opportunities for Snap to make a positive impact in our local communities around the world. In 2020, Snap's Philanthropy team aims to:

- Contribute to our positive company culture through making our giving programs more impactful.
- Create more meaningful stories with our team members and community partners.
- Empower team members to support causes they personally care about by improving and adding flexibility within our volunteer paid time-off policy.
- Design more giving programs focused on Science, Technology, Engineering and Math (STEM). Based on the success of the Snap Design Academy, Snap will launch the inaugural Snap Engineering Academy. The program will be a hands-on, five-week, 100-hour engineering training course for 15 underrepresented community college students that is sponsored and hosted by Snap.
- Increase our community engagement near our headquarters in Santa Monica by introducing new initiatives.
- As the Snap Foundation ramps up operations in the coming years, we will continue to seek out innovative ideas that can be scaled to have a long-term, meaningful impact on our community. We know the path will be long but we are excited to have made advances as we develop our long-term vision.



Society

Our Platform

Overview

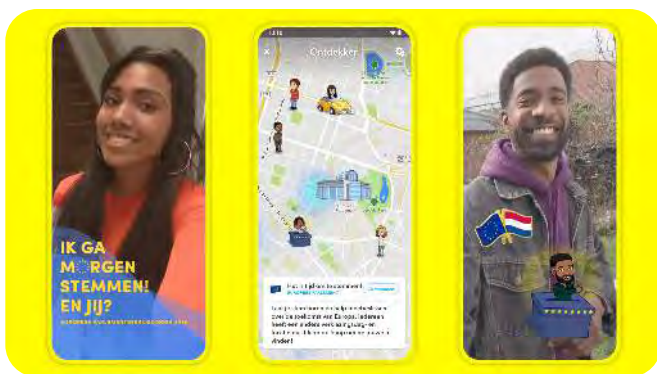
Through our Snapchat platform, we have the unique opportunity to educate our community about important issues that have an impact on our community. We want to help Snapchatters learn about the world and express themselves around the issues that matter most to them across the ecosystem of Snapchat.

To that end, we partner with government agencies and nonprofits to highlight issues important to us. We donated over \$3.5 million in advertising space in 2019 to help these organizations leverage Snapchat to highlight their messages through in-app activations. We encourage our hundreds of millions of younger users to vote. We develop Snapchat content that encourages mental health and diversity. And we always design our product with privacy and safety as a top priority.

Political and Nonprofit Partnerships

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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 helped increase youth voter participation rates with a localized campaign in 12 languages.

Through our content and products 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 have contributed to increasing voter registration, voter education and voter participation, particularly with a demographic that traditionally has been difficult to engage.

“We want our platform to be a place Snapchatters can safely learn about and engage with issues important to them, remove barriers to their civic participation and help them amplify their voices, and this underpins all of our political partnerships and engagement with policy makers and governments around the world.”

— Sofia Gross, Snap's Public Policy Manager

Beyond the electoral arena, we executed partnerships with nonprofit organizations around the world to advance our policy interests and support our social impact goals. We prioritized bullying prevention, mental health, and suicide prevention through our partnership with the Ad Council. Our largest campaign was in support of “Because of You” — a movement that encourages teens to reflect on the positive impact they can have in creating a more empathetic and inclusive culture.

This campaign won wide praise for in-app awareness of bullying. We wanted to send the message loud and clear: Bullies have no place on Snapchat. We ran a national Lens Challenge in April 2019 that encouraged our community to share a “Because of You” story of how someone in their life positively impacted them, and hosted a creator summit with the Ad Council at Snap’s Santa Monica headquarters.



Other major partnerships in 2019 drove awareness around issues like the opioid crisis, suicide prevention, and empowering girls in STEM with organizations like Truth, The Jed Foundation, the American Foundation for Suicide Prevention, Girl Scouts, Girls Who Code, and others.

We’ve teamed up with organizations to make Creative Tools that enhance Snapchatters’ ability to express themselves around key moments like Suicide Prevention Awareness Week, March for Our Lives, Mental Health Awareness Day, and National Voter Registration Day and local elections.

We also use Snapchat as a vehicle to show our commitment to protecting the environment. Snap partnered with the United Nations’ UN Environment Programme for Earth Day 2019 on a Waterline Lens.

We transported Snapchatters to the year 2100 and offered a glimpse of the world that future generations will confront if the Earth continues to warm and water levels rise.



Privacy and Safety by Design

Privacy, safety, and ensuring the well-being of our community are deeply rooted in our values and product philosophy.

At Snap, even though our products are constantly evolving, we design with privacy in mind. New features go through an intense privacy review process — we learn every detail of how a feature could impact user privacy, we debate them, and we ensure they align to our values. We work hard to build products we’re proud of and that we’ll want to use. After all, we use these products every day, both at work and in our personal lives. We handle user information with the same care that we use for ourselves, our company, our family, and our friends. Check out our full privacy policy here. If you’re curious about how a certain feature uses your data, check out this information on [Privacy by Product](#).

At Snap, we believe the safety of users is a shared responsibility. To that end, we have Community Guidelines to encourage the broadest range of self-expression, while helping make sure that Snapchatters are able to use our services safely every day. Find more information on our Community Guidelines and how we aim to keep our platform safe here.

The Privacy Program at Snap is audited on a biennial basis by an independent third-party privacy assessor. Snap also releases Transparency Reports twice a year. These Transparency Reports provide insight into the volume and nature of governmental requests for Snapchatters' account information and other legal notifications.

Well-Being

Snap is committed to the well-being of our community. From the beginning, our goal was to give Snapchatters a place where they felt comfortable expressing themselves with their close friends, free from many of the features and behaviors fueled by traditional social media platforms. Our core innovation — ephemeral messaging — reflects that approach, encouraging the kind of natural, spontaneous conversation people have with their close friends in real life.

We have always been inspired by the power that real friendships have in determining health and happiness. Studies show that spending time with friends, whether in person or online, is the best defense against feeling lonely or depressed, and can leave us feeling overwhelmingly positive emotions.

This is especially true for young people. Given Snapchat's reach among Generation Z and millennials, we have always believed we have a meaningful and unique opportunity to make a positive impact in their lives.

This opportunity builds on our long-held privacy, safety and human-centric design principles:

- We designed Snapchat with privacy at its foundation and treat our community's data with care. We develop all new products and features using a privacy-by-design process, with privacy lawyers and engineers deeply involved.
- We curate all of the publicly viewable content in our Discover section, which has helped us protect our community from fake news and misinformation.
- Our community guidelines prohibit harassment, bullying, violence, threats and the glorification of self-harm, including eating disorders — and we are serious about enforcing them.
- We have easy-to-use in-app reporting tools for flagging any violations of these policies and have a dedicated team that works around the clock to investigate reports, and take swift action when needed. We also partner with leading nonprofits that specialize in mental health and emotional support.

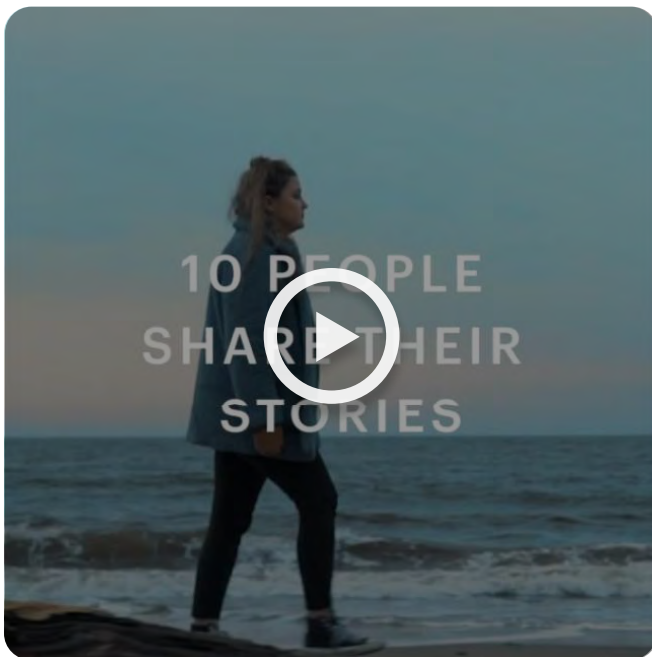
We recently did research to better understand how Snapchatters think about mental health. We learned that they are deeply affected by issues around mental health and well-being, especially stress, depression and anxiety. Consistent with many studies, they confirmed that they view their friends as their first responders when dealing with these challenges — and that communication is key.

We also learned that many young people are deeply interested in understanding these issues and how they can support friends who are struggling with them.

We are now deploying these learnings to develop comprehensive in-app support for Snapchatters, through new tools, content, and partnerships. These steps are just a small part of a much larger initiative we will introduce to Snapchat in the coming months to help our community care for themselves, their close friends, and loved ones.

Snapchat Discover

In 2019, we programmed or added content to our platform that focuses on subjects, issues and identities that impact our users. A few examples are listed below.



Mind Yourself

This 10-episode unscripted Snap Original series paints honest, intimate portraits of young people suffering or recovering from mental health issues.

From OCD and body dysmorphia to depression and PTSD, the series gives a human face — and hope — to young people facing similar issues. Each episode will also include a swipe-up for our audience to access mental health resources.



“While Black” with MK Asante

This docu-series explores what it means to be young and Black in America. The show’s host, author, filmmaker and educator MK Asante, takes on racially charged social issues through disarmingly candid conversations.



Pink News

PinkNews will be serving you fun, informative and colourful content on Snap – so, make sure to subscribe so you don’t miss an edition! Expect to see more of the same LGBT+ news, entertainment, video and explainers plus loads more exclusive and interactive content on our channel.



Mitu (Latinx)

Mitu is a digital media company that aims to bring a Latinx voice to the media and publishes videos, articles, photos and animations focusing on humor, food, family and relationships on Snapchat.



The Lily

The Lily is a publication of The Washington Post that elevates stories about those who are woman-identifying and nonbinary. The Lily provides gives a voice to issues on gender equality, sustainability, fashion, politics and celebrities.



“Stop, Breathe & Think”

This mindfulness show helps users to relax and reduce anxiety and stress through recommended short activities like meditation, breathing, yoga, acupressure, guided journaling and more. “Stop, Breathe & Think” was a part of the second class of entrepreneurs in Snap’s in-house accelerator, Yellow.

Community Stories

We produce over 50 Community Stories a year that focus on culture, ethnicity, gender, ability, religion, sexuality, mental health and climate issues. These Stories allow Snapchatters to contribute to the final product by sending in Snaps of their experience or commentary on the issues, then our teams curate from these Snaps to create and publish Stories.

Notable Stories have included International Holocaust Remembrance Day, Black Excellence (for Black History Month), Hanukkah, Drag Life, and Sound Off (for International Week of the Deaf).

Looking Ahead

In 2020, we will drive support for civic engagement, promote the well-being of our community, and support needs of the business by:

Increasing efforts around voter participation and education

We are testing a product that serves US Snapchatters a voter profile card on their 18th birthday. We are also strategizing ways to increase not just voter quantity but also voter quality through education initiatives and partnerships around ballot information.

Offering unique products and content to inspire

We will continue to ensure that our product and content helps foster civic engagement, education, and expression in inspiring ways. We will leverage key moments in 2020, such as debates, primaries, National Voter Registration Day, party conventions, and Election Day to generate excitement. We will support Snap’s mental health and well-being initiatives, and continue to manage safety partnerships with nonprofits on challenging subjects impacting our community. For example Here for You, rolling out in 2020, will show safety resources from local experts when Snapchatters search for certain topics, including those related to anxiety, depression, stress, grief, suicidal thoughts, and bullying.

Focusing on globalizing safety initiatives and partnerships in key markets

Building off the bullying prevention awareness campaign, we will work to develop a series of Creative Tools and ads that give teens the ability to be part of the movement and spread positivity in key markets including the US, the UK, Australia, and France. Enhancing this work domestically and globalizing this work will remain a key focus of our team in 2020.

Working with our DEI team to support company initiatives

We will amplify Snap as an innovative content creator using the platform for good. We will highlight Snap Originals focused on mental health and diverse voices, in particular women and African Americans. We will be auditing the content mix to understand our baselines for representation and portrayal, and will take a deep dive into the outcomes of this research to inform goals setting to help improve our offerings to better reflect our community and society.

Honing in on sustainability

We are working with the creative community to identify content that focuses on the future of our planet.



Society

Yellow Accelerator

Overview

At Snap, we're excited about the future of mobile content, storytelling, and entrepreneurs who push the creative boundaries of what's possible. To jump-start those companies -- and support a diverse entrepreneurial community -- we run the Yellow Accelerator.

Since the Yellow Accelerator's launch, Snap each year has chosen a small group of individuals and teams from around the world to join our three-month program. They receive the tools needed to take their business to the next level, including funding, mentorship, introductions to industry veterans, and creative office space in Los Angeles — as well as the opportunity for distribution on Snapchat.

In its three years to date, Yellow has funded and mentored a wide range of companies at the intersection of creativity and technology. And it has focused on providing that support to entrepreneurs and companies with diverse teams. Of the companies funded to date, 48% have had at least one female founder, 56% have had at least one founder of color, and 33% have had founding teams run entirely by people of color.



The Yellow companies have run the gamut from online professional communities to deep tech storytelling tools to digital media platforms. A few examples of the creators Yellow is supporting in 2020:

Hardworkers is a Cambridge, Massachusetts-based professional digital community built exclusively for blue-collar workers. Construction workers, service industry professionals, gig economy workers and others have different needs from a career, expression, and visibility perspective. They are a hugely underserved market largely overlooked by the tech community.

Mogul Millennial is a Dallas-based digital media platform for Black millennial entrepreneurs and corporate leaders. It curates and sources smart content worldwide from minority industry leaders, career experts, entrepreneurs, and influencers.

TRASH is a Los Angeles-based company that helps users make videos with one tap by using "cinema science" to put knowledge of filmmaking in their pocket. TRASH is a deep tech company building the future of video creation and collaboration software for short-form video creators.

Stipop is a Seoul, South Korea-based company that adds fun and empathy to enrich chat experience through stickers. Their sticker API helps companies engage users, lead market trends, and bring immediate impact to their services. With 100,000+ quality stickers created by 5,000 global artists, they are improving the daily communication of millions of users around the world.

We look forward to continuing to expand Yellow and offering a hand to entrepreneurs innovating at the intersection of creativity and technology. In 2020 Yellow will be announcing new programs aimed at helping entrepreneurs in ways that go beyond the scope of the program to date.



Society

Responsible Supply Chain

Overview

Snap buys components for our hardware products, such as Spectacles, from companies across the globe and outsources the assembly of those products. We work hard to ensure these partners do business ethically. Each product goes through a complex supply chain before going to market — from the mining of raw materials and the production of components, to the final product assembly and the logistics that take the product to the end consumer. To ensure that our products are being made responsibly and the workers who make them are treated well, we require our suppliers to agree to a stringent Supplier Code of Conduct, and we monitor adherence through third-party audits and remediation support.

Supplier Code of Conduct

Our Supplier Code of Conduct codifies the standards we expect our suppliers to meet to ensure safe working conditions, fair worker treatment, and responsible environmental practices. It includes social responsibility standards drawn from the RBA Code of Conduct, the Universal Declaration of Human Rights, and other guiding principles of international law.

The Code requires suppliers to uphold workers' human rights and treat workers with dignity and respect. It rejects any use of forced or child labor and calls for suppliers to set reasonable working hours, avoid discrimination, and conform to industry-standard health and safety practices. The Code also requires suppliers to respect the environment by obtaining required permits, minimizing pollution, and safely managing hazardous substances. And the Code requires our suppliers to uphold the highest standards of ethics by rejecting commercial bribery and respecting third parties' intellectual-property rights, for example.

Monitoring

Auditing: We use a risk assessment methodology to evaluate our supply chain. When that methodology deems a supplier higher-risk, we schedule on-site supplier audits to assess compliance with our Code. Leveraging a third-party auditing firm, we send auditors directly to the factories where our parts or products are being made. The auditors are familiar with local laws and can speak the native language of the factory. They spend their time on-site interviewing management, reviewing records and interviewing workers to determine compliance with our Code and local regulations.

The Issues: The most common issue we identify during supplier audits is excessive working hours. If we find that a supplier has working hours longer than our standards, we inform the supplier of our expected standard and then provide them support to bring the hours to acceptable levels. This is done through implementing management systems to help the supplier better track and manage hours, as well as providing training to managers and supervisors on the importance of managing hours. If the supplier is not able to meet our standards within a reasonable timeframe, we will shift our business to alternate suppliers.

Remediation: We go beyond holding our suppliers responsible for meeting our standards; we also provide them the support they need to correct the issues we identify and prevent them from recurring in efforts of moving the entire industry forward. If we ever find "zero tolerance" issues, such as child labor or human trafficking, we're committed to immediately end our relationship with the supplier and notify the proper authorities. But for all other issues, Snap connects the supplier with experts to help them develop an effective corrective action plan and guide them through the remediation process. Working with suppliers to improve labor and environmental conditions is fundamental to our program. Walking away from a supplier that has issues doesn't help improve conditions for the workers. It's far better, in our view, to help them raise their standards and make life better for the workers. If they succeed, then both parties are invested in a lasting partnership.

Anti-Slavery

Forced labor and trafficking are heartbreaking but persistent issues in some countries' labor markets. Our Anti-Slavery Statement demonstrates our commitment to ensuring that our suppliers respect human rights. Snap requires our suppliers to certify that slavery and human trafficking are not taking place in their businesses. We verify those commitments through a detailed risk assessment and auditing process. We also provide training on forced labor and human trafficking to all of our supplier-facing team members.

Conflict Minerals

Our Conflict Minerals Statement lays out the steps we take to comply with laws regarding conflict minerals and to reduce risk in our supply chain.

The term "conflict minerals" refers to four metals — tantalum, tin, tungsten and gold — that are commonly sourced from mines in the Democratic Republic of Congo. Illegal armed groups may use proceeds from those mines or nearby transit routes to fund their violent operations.

Snap is committed to complying with rules regulating the use of conflict minerals, regardless of whether they technically apply to our operations. We require our suppliers to certify that they source minerals from conflict-free smelters and exercise due diligence on their own suppliers. And we have engaged a supply chain data-management company to facilitate supply-chain tracking and ensure that our suppliers are honoring their commitments.

Multi Stakeholder Engagement

Snap is a member of the Responsible Business Alliance (formerly the Electronic Industry Citizenship Coalition) and fully supports the RBA's vision and goals. The RBA is the world's largest industry coalition dedicated to corporate social responsibility in global supply chains.

Impact by the Numbers

- We currently work with just over 70 suppliers who make components, parts and products for us.
- We have managed 66 supplier audits to date since Spectacles launched in 2016
- 92% of suppliers responded to our conflict minerals data request
- 100% of suppliers responded to our materials disclosure requests

Looking Ahead

In 2020, we will continue to expand the programs we established before the launch of the first version of Spectacles to reach our suppliers in a deeper and more meaningful way.



Society

Governance

Overview

Snap maintains a governance structure focused on transparency and robust decision-making processes. Our Board is diverse and experienced. Our compliance program hews to governmental guidance on best practices and provides team members with ample training on how to do the right thing. And our tax program is aimed not at tax avoidance, but at paying fair taxes to the communities where we do business.

Board Structure

Our Board is a one-tier system that consists of 2 executive officers and 8 independent directors. The Chairman of Snap's Board is non-executive and independent. Fifty percent of our independent directors are current or former Chief Executive Officers of prominent companies, and 30% of our directors are women.

We have three standing Board committees - Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee. All are chaired by and composed of independent directors. In making recommendations for committee membership, the Nominating and Corporate Governance Committee consider the interests, independence, and experience of the directors and the independence and experience requirements of the stock exchange that lists Snap Inc.'s capital stock; the rules and regulations of the Securities and Exchange Commission; and applicable law.

Directors and each committee have complete and open access to our management and the power to hire, at Snap's expense, independent legal, financial, or other advisors that they may deem necessary. Directors are expected to avoid any action, position, or interest that conflicts with the interests of Snap Inc. or gives the appearance of a conflict.

[Read more about our Corporate Governance Guidelines and committee charters here.](#)

Stock & Voting Structure

Snap has three classes of common stock. Class A stock is non-voting and is listed on the New York Stock Exchange as our only class of publicly-traded stock.

Holder of our Class B and C common stock are entitled to one vote and ten votes per share, respectively, and must convert their voting shares into Class A shares in order to sell them on the NYSE.

As a result of the Class C common stock they hold, our co-founders CEO Evan Spiegel and CTO Bobby Murphy currently have majority voting control over matters submitted to our stockholders for approval. That means they can control major corporate matters such as the election of directors, strategic investment decisions, and decisions about whether to engage in change of control or merger transactions.

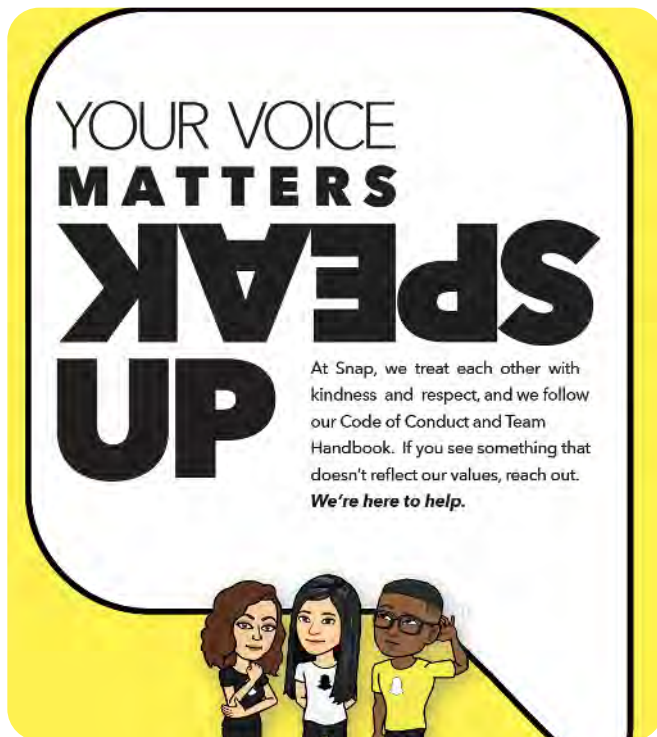
We recognize that this type of founder control is not typically favored from a governance perspective. In our view, however, our corporate governance structure provides Snap with significant advantages – including helping us withstand the short-term pressures of the quarterly earnings cycle so we can pursue our long-term vision for Snap. This brings many benefits: We have the flexibility to fulfill our desire to be a force for good by pursuing a multi-stakeholder operating framework that measures our success not just by corporate valuation but also by what we give back, the way we care for our team, and the value we provide to people who use our products. We see ourselves as responsible to our communities, our partners, our employees, and our investors; our success must be shared. Our corporate governance structure makes it easier for us to execute on this philosophy, including in the ways evidenced by this report.

Although our corporate governance structure does not require us to do so, we maintain a Board with an independent chairperson, a

majority of independent directors, as well as a Compensation Committee and Nominating and Governance Committee composed entirely of independent directors. We've chosen this path because we are committed to having a board that brings a diverse range of perspectives and life experiences to help us make decisions that best align with our mission and values.

Integrity & Compliance

Integrity is a core value at Snap and part of our commitment to corporate citizenship. We work to help the company maintain the highest business standards and avoid ethical pitfalls such as bribery and corruption, trade law violations, and conflicts of interest.



Code of Conduct

As part of this mandate, we operate a robust compliance program following the program pillars laid out in US Department of Justice guidelines.

This program includes clear policies and a public Code of Conduct, detailed risk assessments, thorough due diligence, and lively training. You can learn more about our compliance program, as well as download a complete copy of our Code of Conduct, through Snap's website.

All Snap personnel receive training on the Code of Conduct upon onboarding, and then a refresher training biannually thereafter. As of December 31, 2019, our employees' completion rate for Code training was 99.25%.

Risk Assessment

We work closely with the business to identify emerging areas of compliance risk. This includes performing extensive risk-based due diligence on the third parties with which Snap interacts, including a sanctions and restricted/denied-party screen on 100% of identified third parties. This due diligence program is designed to comply with trade and anti-bribery and anti-corruption regulations, as well as to provide our employees information on the parties with whom they conduct business.

Integrity

We strive to create a global culture of integrity at Snap that goes beyond policies. To this end, we have created ethical programming with messages from company leaders and outside experts discussing what it means to act with integrity. Acting with integrity and instilling trust are now formally recognized as key parts of Snap's core values. This means each employee is formally evaluated on their commitment to integrity as part of our performance reviews.

Data Governance

Snap invests significant resources into data governance, integrity, and accuracy. These efforts by our Data Insights & Governance (DIG) team and other stakeholders give us confidence in the data that we report to the public and use for our own business decisions. We see providing accurate data, and helping the industry establish standards, as core to our company's integrity.

For example, the key business metrics that we use internally and externally to measure business success, such as Daily Active Users, go through a robust certification program. This ensures they meet high change management and quality standards. Likewise, our DIG team performs substantive audits on our key metrics on a recurring basis, digging deep into the instrumentation to search for anomalies and ensure they are resolved. And we commission third-party review of our data integrity procedures annually, with findings presented to our Audit Committee.

Our DIG team also advises on the implementation of engineering controls to ensure the accuracy and completeness of Snap data used in key engagement and revenue reporting. We regularly perform compliance reviews of these controls to ensure that the responsible teams are operating them appropriately.

Finally, we are working with peers in the industry to create guidelines for the standardized calculation and reporting of key operating measures. Our goal is to help fill the current gap in regulatory guidance for the public reporting of non-financial metrics.

Tax Strategy

At Snap, we view tax not just as a legal obligation but as a way to appropriately support the communities where we operate -- in other words, we view it as part of our overall corporate mission. We want to earn the trust of our customers, business partners and the public, and our tax philosophy is a part of that. But we also want to do the right thing even when no one is looking. We want our tax structure to follow the commercial substance of our business - we don't want tax considerations pushing our business to do things it wouldn't normally do. This is different from the historical norm in our industry, where many companies have kept their profits in artificial low- or no-tax structures with little substance. We don't and won't operate in tax havens, and our profits are fully subject to tax in jurisdictions where we have substantive business operations.

Governance, Compliance and Risk Management

We align with industry best practices around tax governance. At Snap, our tax strategy is a core part of corporate responsibility and governance and is overseen by the Board. The Audit Committee takes responsibility for tax risk management and delegates ongoing daily management to key employees. We have clear procedures for tax risk management and carry out risk assessments before entering into tax planning for significant transactions.

Ensuring that we pay the right amount of tax, at the right time, and in the right place is a critical part of our approach. We strive for the highest level of compliance with tax rules and disclosure requirements, including complete, accurate, transparent and timely reporting.

Supporting Our Business

Our tax team works to support the commercial activity of our business and make sure that tax is included in the overall planning process in the same way as other costs. We don't undertake transactions the sole purpose of which is to create a tax benefit inconsistent with a reasonable interpretation of relevant tax law. We aim for substance -- we don't seek abusive tax results.

Intellectual property plays a critical role in our industry, and you can tell a lot about a company by its IP structure. Our IP structure is straightforward and follows the commercial substance of our business. In 2016, our UK subsidiary licensed a portion of our IP from our US parent in a taxable transaction. As such, our US parent and our UK subsidiary are the companies in our group that are primarily responsible for engaging with our customers. The UK serves this role because it's an important market for us, it has a strong talent pool and business environment and we have significant operations there.

We recognize most of our revenue "locally," which results in more profit being recognized where our customers are located as compared to a more centralized sales structure that is the historical norm in our industry. Revenue that is not booked "locally" (e.g., where we have no local business presence, or our local business presence is still developing) is recognized by our UK subsidiary and is subject to tax at normal corporate income tax rates.

Pricing and Group Transactions

As part of the normal commercial activity of our global business, there are many transactions between Snap group companies in different countries.

Our goal is for the transfer pricing for these transactions to reflect an "arm's-length" or market price, based on the functions, assets and risks of the parties involved and supported by appropriate economic analysis of similar transactions between unrelated parties, such that we pay tax according to the value created by each part of our business. Our two principal entities (US and UK) take the vast majority of the business risk in our group; as such, because our group is currently not profitable on a consolidated basis, both of these entities are currently loss-making.

Incentives

Some jurisdictions allow taxpayers to claim tax incentives, for example, to support investment and employment. We may claim such incentives where they are aligned with the commercial activities of our business (for example, a credit for the research and development we undertake), and we seek to implement them consistent with the intent and spirit of the law.

Relationships with Tax Authorities

Sometimes it is not clear what the right tax answer is. Because of the complex tax laws in countries around the world where we operate, and the interaction between these rules, there is a risk that tax authorities might disagree with us or with each other. We seek to develop cooperative relationships with tax authorities and aim to engage in an open, honest and transparent manner to resolve disputes or where there may be uncertainty in the interpretation of tax laws.

Supporting Global Tax Governance

We proactively and constructively engage in dialogue with governments, intergovernmental organizations and industry groups to support the development of tax systems that are fair, efficient, effective, administrable and sustainable. This includes support for the OECD's ongoing work on international tax reform ("Pillar One" and "Pillar Two", intended to address the digitalization of the economy). We urge tax policy makers to implement international tax reform to (i) tax only net profits (not revenue), and only once, (ii) recognize, and allow taxation of, some element of value creation that is not currently being taxed in market jurisdictions where companies have no or limited physical presence but do have local customers/users, (iii) maximize certainty and administrability, and minimize controversy and (iv) ensure a level playing field.

Transparency

We are transparent about our approach to tax. The tax disclosures in our public audited financial statements are straightforward and easy for stakeholders to understand. We commit to publicly disclosing country-by-country information when we become profitable and income tax expense and income taxes paid become material.



Planet

Our Workplace

Overview

Snap has grown quickly, but we haven't forgotten to think about sustainability in our design, construction and ongoing occupancy of our spaces and kitchens. That's true for both the food we serve and the work spaces we create.

Facilities

Globally, we have been renovating and delivering workspaces to meet the needs of a growing team and global footprint. Because all new construction in California is required to meet Title 24 energy efficiency standards — estimated to reduce energy consumption by 40% over existing buildings — these renovations represent a huge upgrade in the energy efficiency of our space. Approximately 50% of our real estate footprint meets these high standards. We have also implemented a system that tracks all of our global utilities spend and consumption (e.g., electricity, waste, water, etc.), which will help us monitor our consumption and measure progress. This allowed us to complete our first greenhouse gas inventory for Snap with a 2019 baseline. This inventory will empower us to identify our biggest carbon footprint impacts so we can develop a strategy to reduce them.

We offer commuter benefits programs in the US to promote public transport and other alternate commuting. The WageWorks Commuter Transit Account is a pre-tax benefit account used to pay for public transit — including train, subway, bus, ferry or vanpool — as part of our team members' daily commutes to and from work. Additional incentives to reduce employee commuting include offering bike parking and showers in most offices globally.



We organize an annual Bike to Work Day to energize and excite team members around being active and mindful of the environment. Tuneups, energizer stations, resources and information are provided to team members. And through the bike-to-work challenge, we encourage team members to share Snaps, Stories and their commuting mileage on that day.

Food

The Food We Serve: We strive to provide food services that support a sustainable future. This means nourishing our community with food that is healthy and produced using practices that respect farmers, workers, animals and the land. In 2019, we served over 500,000 meals to Snap team members in our LA-based cafes.



Snap sourcing guidelines call for supporting local agriculture; using organic produce when possible; serving seafood that adheres to the sustainability guidelines outlined by the Monterey Bay Aquarium's Seafood Watch program; and getting at least 20% of our ingredients from small, owner-operated farms, ranches and artisan producers within 150 miles of our kitchens.

We also focus on reducing the amount of meat our team consumes and shifting to lower carbon proteins, reducing meat consumption by 25% per meal served in 2019. The Food team is working on expanding these guidelines and doing more to invest in food in 2020 and beyond.

Reducing Waste & Fighting Hunger

In 2019, we launched our “Reduce-Return-Reuse” pilot initiative, where we eliminated all disposable dishware and utensils in our cafes to reduce waste. For two months, the cafes did not serve any food from disposable containers and did not offer disposable utensils. Carts were set up in buildings across campus and dishes were collected for washing centrally to be reused the next day. We used the learnings from this pilot to drastically reduce disposables and continue to collect dishware from all of our buildings for reuse each day. We reduced disposables in 2019 by more than 175,000 items from 2018, representing a 29% reduction per meal served.

We reduce waste and help fight hunger by donating food to the community. For almost four years, we have donated all excess food from our cafes to local shelters (approximately 50,000 pounds per year). We compost any food from the cafes that can't be donated. Since 2015, Snap has provided and team members have served thousands of hot meals (which are now being made by Snap's Food program) to Safe Place for Youth. SnapNoir organizes regular volunteer events where team members help prepare and serve meals at Bread and Roses Cafe, a program of the St. Joseph Center. In 2019, we launched a system to weigh food waste generated in the kitchen and from the plate.

At the beginning of the campaign, plate food waste in our cafes was averaging 25%; after the campaign, food waste went down to an average of 20%. We continue working to drive that number down; we publish weekly statistics on our internal menu pages so that team members keep it top of mind.

Education

We strive to educate our team members about sustainable food practices through campaigns tied to tentpole events. For example, the 2019 Earth Day theme was “Protect Our Species.” To honor Earth Day at Snap, we launched an awareness campaign about protecting bees and other species. Globally, we asked our team to join the Drawdown EcoChallenge to pledge action on the 100 most substantive solutions to global warming. In local offices, we hosted a tour of local wetlands; participated in a cleanup of the LA River; launched our community pollinator garden on our corporate campus; and hosted a bee documentary screening, an urban beekeeping workshop and a Honey Happy Hour that featured drinks and dishes prepared with local sustainable honey.

In partnership with Snapfit, SnapGreen and SnapFood, we hosted several events in our sustainable food series. The goal of this series is to educate the team about climate-friendly diets, food systems, and how to source food sustainably. Examples include a fermentation workshop, farm-to-fork spring roll making, onsite farmers market pop-ups, gardening workshops, an expert-led eco-foraging hike and lunch, a mushroom workshop and an edible insect happy hour. We also opened our Snap community garden, which is a converted parking lot that hosts pollinators, edible plants and a butterfly enclosure. Snap team members volunteer their time to maintain the garden over a series of bi-weekly shifts.

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Impact by the Numbers

- 12,587 MWH of electricity consumed in our facilities globally (refer to the Our Environment section for more detail)
- 3,202 metric tons of CO₂-equivalent in Scope 2 emissions related to the purchase of electricity.
- 50,000 meals worth over \$100,000 donated in 2019 and more than \$300,000 worth of food since our program started
- 25% reduction in meat per meal served and shifted to lower carbon proteins, like chicken
- 29% reduction in disposable serviceware per meal served (over 175,000 items)
- 50% of our real estate footprint globally meets Title 24 standards for building energy efficiency

Looking Ahead

In 2020, we will continue to reduce food waste, as well as plastic and packaging waste. We will also increase support for regenerative agriculture and promote plant-forward eating, in addition to developing a strategy to include carbon reduction and mitigation targets.



Planet

Our Products

Overview

While Snap doesn't mass-produce physical products or operate data centers, our products still have an environmental impact — and we're working to minimize it.

Snapchat consumes battery life that requires energy consumption for recharging, and it requires data to be stored via our cloud partners. That has an indirect energy and carbon footprint. While these partners are committed to renewable energy and carbon neutrality, reducing the computing and storage needs and increasing the efficiency of the app still has a positive impact.

Separately, producing Spectacles creates environmental impacts throughout the product life cycle. From the product design to the selection of components to final assembly, building any hardware product uses chemicals, consumes energy and generates waste. We have processes in place to help reduce our impacts across the life cycle.

Software: Data and Energy Efficiency

The Battery and Media Delivery team focuses on increasing efficiency throughout the Snapchat app, which means less battery life, consumed less charging, and reduced energy demand. We made the following improvements in 2019:

Snapchat for iPhone

- 50% reduction in Snapchat's median background running time
- 36% reduction in battery drain during Story and Discover video playback
- 36% reduction in battery drain when swiping between Chat and friends feed
- 23% reduction in battery drain when scrolling through your friends feed

Snapchat for Android

- 50% reduction in Snapchat's median battery drain from cellular use in the background
- Minimized Snapchat's activity after backgrounding, saving 0.2% battery per background on typical Android phones (assuming 3000mAh battery).

These improvements reduce electricity consumption for millions of Snapchatters, and that savings adds up. That's only the beginning — there are vast opportunities for efficiency that the team will continue to explore and quantify.

Carbon Neutral Snapchat

The battery team has significantly reduced the Snapchat app's energy use, which in turn has cut carbon emissions. In addition, we are now mitigating the remaining carbon emissions from data and electricity consumed by Snapchatters globally -- estimated at around 43,000 metric tons CO₂-equivalent per year -- through the purchase of verified carbon offsets that support forestry, energy efficiency and renewable energy projects globally.

The offsets cover both the electricity consumed by Snapchatters on their devices, as well as carbon emissions attributable to our use of cloud storage that have not already been mitigated by our cloud services partners. The result: We are proud to say that the Snapchat app is now carbon neutral. We plan to build upon this commitment, and identify ways to move toward company-wide carbon neutrality, as we develop our strategy in 2020.

Hardware: Supply Chain

Electronic devices have changed our day-to-day lives and the world in incredible ways. But behind these technologies lie supply and manufacturing processes, some of which still rely on outdated energy sources (e.g., coal), use hazardous chemicals and emit pollution. Brands and manufacturers are working to change that and hold suppliers accountable.

Through our supplier auditing program, we evaluate the environmental impacts of producing our hardware products to help ensure that our partners aren't leaving a negative mark on the environment. The audit protocol includes a thorough review of chemical use and handling, air emissions, energy consumption, water emissions, water consumption and waste management. The auditors look at permits, records, testing and physically observe the factories for any signs that they are not operating responsibly. When we identify issues, we help the manufacturers through the remediation process and validate closure.

Hardware: Product Compliance

Regulations aimed at reducing the environmental impact of electronic products apply to our hardware products.

These standards restrict the type or amount of materials that we put into our products, including hazardous and toxic substances. For example, the EU Restriction of Hazardous Substances (RoHS) Directive restricts the use of hazardous materials in the manufacturing of electronic and electrical equipment. Examples of regulated substances include heavy metals (lead, mercury, cadmium, chromium), brominated flame retardants and phthalates. And the EU's Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation places responsibility on the industry to manage the risks from chemicals and to provide safety information for specific substances of concern.

To meet these requirements, we engage our suppliers to determine which materials they use and declare their conformance to each of these requirements. They submit their data and information through a software application that helps us validate and document conformance. We also perform testing on our products to ensure there are no exposure concerns in the use of our products.

Hardware: End-of-Life Product Management and Recycling

Other regulations place responsibility on producers to ensure that their products are managed properly and recycled at their end of life. For example, in the EU, the Waste of Electrical and Electronic Equipment (WEEE) regulations govern the collection, treatment and recycling of electronics at the end of their life. The EU's Batteries Directive designed to minimize the negative impact of batteries and waste batteries, imposes materials restrictions, marking and labeling requirements. And the EU's Packaging Directive controls packaging waste and its impacts on the environment.

Snap is currently obligated by these requirements in 13 EU member states. To ensure compliance, we partner with approved recycling programs and pay fees, based on sales, for recycling our products. These fees are somewhat like a tax that gets combined with other producer fees and helps to fund municipal or regional recycling programs.

Impact by the Numbers

Battery Efficiency Improvements

- 50% reduction in Snapchat's median background running time
- 36% reduction in battery drain during Story and Discover video playback
- 36% reduction in battery drain when swiping between Chat and friends feed
- 23% reduction in battery drain when scrolling through your friends feed

Snapchat for Android:

- 50% reduction in Snapchat's median battery drain from cellular use in the background
- Minimize Snapchat's activity after backgrounding, saving 0.2% battery per background on typical Android phones (assuming 3000mAh battery).

Carbon Emissions

- 43,000 metric tons CO₂-equivalent emissions associated with the use of Snapchat

Looking Ahead

We plan to continue making our products more efficient and continuing to offset the remaining carbon associated with the battery use for our Snapchat users globally. We will also work with our cloud service providers to use data centers that rely on clean energy sources.



Planet

Our Environment

Overview

The destruction of our environment is one of the most pressing issues facing our world. While Snap's carbon footprint is relatively small, we are mobilizing efforts to reduce and mitigate our emissions and find ways to leverage our platform to create a ripple effect of positive change. Read on to learn about our first steps, including enhanced data tracking, our recently-completed emissions inventory, and current mitigation efforts.

Carbon Emissions Baseline

We performed our first comprehensive greenhouse gas inventory to establish a 2019 baseline for carbon emissions. That was the first step in our journey in developing an emissions reduction strategy — first measure, then manage. We calculated our emissions in accordance with the Greenhouse Gas Protocol market-based approach. We calculated our direct emissions (Scope 1), as well as our indirect upstream and downstream emissions (Scopes 2 and 3).

- **Scope 1:** 5,738
- **Scope 2:** 3,202
- **Scope 3*:** 135,194
- **Total:** 144,134

*breakdown by Scope 3 categories can be found in Impact by the Numbers below

Tracking & Mitigation Initiatives

Our Products

In 2019 and early 2020, Snap improved the Snapchat app's battery and data efficiency and bought verified offsets to achieve Snapchat carbon neutrality. Read more here.



Our Facilities

In 2018, we implemented a system to track the energy consumption in our facilities to help develop our 2019 baseline. We also started tracking employee commuting; we have commuter incentive programs in place that support lower carbon commuting alternatives. Nearly 50% of our facilities have been renovated to meet California's Title 24 energy efficiency standards. In our facilities, we consumed an estimated 12,587 MWH of electricity, resulting in 3202 metric tons CO2-equivalent Scope 2 emissions.

Travel

We are beginning to work with our travel partners to find ways to reduce our impacts. Our 2019 Scope 3 emissions associated with business travel were 18,752 metric tons CO2-equivalent. We mitigate all of the carbon emissions associated with our aviation program through verified carbon offsets.

Our Platform

We use our platform to raise awareness and effect change on environmental issues. We have partnered with the UN Environment Programme and other organizations to help bring environmental awareness to our Snapchat community of 238 million daily active users. We also shine the spotlight on issues through our Community Stories coverage of environmental tentpole events such as the Youth Climate Strike and Earth Day. And in 2020, we are honing in on original content that focuses on the environment and sustainability.

Food

Our food program serves over 500,000 meals per year and stocks over 40 kitchens globally. We have made significant strides in reducing food waste and shifting to lower carbon proteins because we know that agriculture and food are major contributors to carbon emissions. We also educate team members about sustainable food sourcing and eating. And we continued to work on eliminating single-use plastics, reducing packaging waste and disposable service items. Read more here.

Impact by the Numbers

Carbon Emissions

- Scope 1: 5,738
- Scope 2: 3,202
- Scope 3 Categories:
 - Purchased goods and services: 74,582
 - Capital Goods: 3,213
 - Fuel- and energy-related activities: 1,564
 - Upstream Transportation and distribution: not material
 - Waste generated in operations (estimated): 341
 - Business Travel: 18,752
 - Employee Commuting: 2,894
 - Upstream leased assets: not applicable
 - Downstream transportation and distribution: 26
 - Processing of sold products: 588
 - Use of sold products: 33,181
 - End-of-life treatment of sold products: 7
 - Downstream leased assets: 46
 - Franchises: not applicable
 - Investment: not applicable
- Scope 3 Total: 135,194
- TOTAL: 144,134

Electricity

12,587 MWH of electricity consumed in our facilities globally. Electricity by country:

- Australia: 149
- Canada: 245
- China: 148
- France: 303
- Germany: 66
- Netherlands: 48
- Switzerland: 68
- Ukraine: 193
- United Arab Emirates: 58
- United Kingdom: 447
- United States of America: 10,861
- TOTAL: 12,587

Looking Ahead

In 2020, we will develop a comprehensive strategy, including carbon reduction and mitigation targets.



People

Diversity, Equity, & Inclusion

Overview

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 key parts of fulfilling our aspirations. 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 – also released today, and available in full here – we commit to doing more. We will hold ourselves accountable publicly and we expect to be judged by our actions and not just our words.

That is not to say we've made no progress to date. For example, we have long supported a DEI program and Employee Resource Groups; we have diversified our executive leadership; we train our team rigorously on unconscious bias; and we run internship and investment programs that boost students and entrepreneurs from underrepresented groups.

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Efforts to Date & Future Plans

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Workforce Data

Part III of the full Report provides a deep dive on our 2019 workforce 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% in the Director+ population (up to 24%) and adding 9.6% in the VP+ population (up to 30.3%).
- 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 Latinx representation increased 0.5%. Snap's leadership (Director+) is 16.5% Asian, 2.6% Black/African American, 2.6% Hispanic/Latinx, 0.9% Native Hawaiian/Other 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% two or more races and 74.2% White.

Our full data, which includes our demographic makeup across each group, intersectional data, hiring, and attrition data, appears in the Report. 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, 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, collecting Snap's first DEI Self-ID Survey that enabled employees to self-identify as LGBTQ+, having a disability, career status, Veterans status, or being the first generation in their family to attend college. The Self-ID data collection is voluntary, and 60% of our US team completed the survey (see page XX). In 2020 we will extend this data collection internationally.



People

Supporting Our Team

Overview

Our values at Snap are being kind, smart and creative, and we put those values into action through how we support our team and how our team supports one another. Sitting in circles in Council helps Snap build and sustain a community steeped in integrity, connection, collaboration, creativity and kindness. Our talent development programs unlock potential by helping team members advance, learn and grow in a fair and equitable way at Snap. Our focus on the health and well-being of our team members helps them to be their best selves at work through programs that support physical, emotional and financial fitness. And underlying these values is our commitment to ethical conduct where we work to instill in our team that acting with integrity means being your whole self, being honest, and doing the right thing.

Living Wage Pledge

At Snap we believe our team members should be able to afford to live near our offices; that contributes to healthy work-life integration and to the local economy in which we work. We also believe that paying a livable wage to all employees supports our DEI goals. To that end, we are establishing a living wage for all team members.

In Santa Monica, our initial living wage -- which we internally refer to as a baseline wage -- is \$70,000 annually, exclusive of overtime for non-exempt workers. We developed this baseline wage based on data from the Department of Urban Studies and Planning from Massachusetts Institute of Technology, using our headquarters location and two adults (one working) with two children as our reference points. We will 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 annual baseline target pay of \$75,000.

We will geographically differentiate the baseline wage by US operating region using wage data from our third-party compensation survey provider. The baseline wage was effective in the United States as of July 2020. We will expand the program globally by the end of the year.

Council

The mission of the Council program is to help Snap Inc. build and sustain a community steeped in integrity, empathy, connection, collaboration, creativity and kindness.

Council is a practice where team members join together to share stories and practice empathetic listening. In 2019, team members across 25 offices participated in more than 1,000 Councils. The Council team connected individual team members to executives through Leadership Councils, where team members ask participating executive questions in a small setting. In addition to these traditional Councils, the team led offsite nature-based retreats in 12 different countries.

These daylong retreats allow team members a chance to deepen their connection to themselves and one another. Thirty-six cultural events occurred across the globe that centered on celebrating the varied traditions, customs and holidays of Snap team members. Through our nonprofit partner A Sense of Home, we lead home renovations for former foster youth. By the end of 2019, Snap team members had created 82 homes for Los Angeles's most vulnerable youth.

Snap Inc. began hosting free Council trainings in 2019 for the public to learn and develop skills for Council facilitation. We provided these trainings in New York, Los Angeles, Kiev and Sydney. The Snap Council team has extensive plans to expand this offering to more cities around the globe in order to build a diverse pipeline of future Council facilitators to help scale Council into the world.

Talent Development

Through our talent development programs, we provide meaningful support and tools so that our team members can grow. In 2019, Snap team members participated in over 67,000 combined hours of training and development.

Opportunities included leadership and manager development programs, professional competencies & skills development, culture & values-based training, integrity & compliance training, and technical or job skills training.

Values-Based Performance Feedback

Our Snap values now form the foundation of our performance feedback process, driving culture-enhancing behaviors across our global team. Team members and managers now have clear, behavioral expectations of what great performance looks like at Snap, and are better equipped to deliver impactful feedback to drive high performance.

Manager Development

At the beginning of 2019, the Talent Development team introduced the Aperture Leadership Program to strengthen and enable Snap's managers and help them grow as coaches. The six-month program is designed to help managers learn to flex their leadership style, lead inclusively, give and receive feedback, and develop their teams. It focuses on developing managers through practical, action-oriented workshops and coaching. Sixty-one percent of Snap managers participated in Aperture during its first year and of the participants who completed the program, 97% of their leaders and 88% of direct reports have seen a real impact on the participants' developmental goals based on their actions.

Snap Include

Research shows that unconscious bias is a barrier to inclusion and one of the best ways to fight unconscious bias is through education. The team launched a SnapInclude training series in partnership with external experts in diversity, equity and inclusion.

SnapInclude helps the team better understand the science behind bias, and how to more effectively manage our biases in our everyday actions. In 2019, 1,690 global team members completed this training and, on average, 95% of respondents rated the workshop favorably.

Women's Leadership

Snap's Women's Leadership Program engaged our senior female leaders in a six-month program that focused on building self-awareness to show up fully as ever-evolving leaders. The program was designed to help participants 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.



Wellness & Benefits

In addition to the comprehensive and robust benefits provided to team members, Snap offers a well-being program that focuses on physical, emotional and financial fitness.

Through Snapfit, we offer programming that helps our Snap colleagues to remain physically active and learn how to eat a balanced diet; access professional resources and opportunities to be mindful and manage stress;

make smart financial decisions to prepare for the future, and learn about preventive health and how to best use Snap's health benefits.

Snap provides free memberships to Headspace, and over 700 Snap team members used the app for more than 17,000 meditation sessions in 2019. Starting in September, Snapfit partnered with Zenstop to offer mobile 10-minute meditations in Santa Monica and Venice. We introduced Lyra Health, which provides team members and their dependents 16 free mental health therapy or coaching sessions, with similar programs outside the US. Snapfit also partnered with our Employee Resource Groups for Minority Mental Health Month in July to promote awareness of the mental health challenges amongst underrepresented communities.

Health & Safety

We have established a cross-functional health and safety program that is designed to anticipate, recognize, evaluate, prevent and control workplace hazards. This program includes employee training, written programs and policies, and monitoring through various levels of site inspections.

In 2019, we recruited 170 volunteers across global Snap locations to form an emergency response team trained to assist our security team in emergencies. Of that cohort, 122 received hands-on first aid and CPR training and forty-two of the volunteers also received fire extinguisher training. Because our workplaces are almost entirely offices, we partnered with Snapfit and launched a global ergonomics challenge to raise awareness about ergonomics issues.

Impact by the Numbers

Council

- 1,485 Councils across 26 offices in 12 countries

Learning

- 61% of Snap managers participated in the Aperture program
- 1,690 team members participated in the SnapInclude training program

Wellness & Benefits

- 264 events in 12 cities, including 25 Snapfit-sponsored races
- 27 sports leagues in 8 cities
- Bike to Work Day in 6 cities with over 100 bike tuneups offered free of charge

Health & Safety

- Total recordable incident rate* of 0.2
- Lost time incident rate** of 0.14

*A recordable injury / illness is one that results in death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, or loss of consciousness. The recordable incident rate for our industry classification is 0.3 (2019 Bureau of Labor Statistics data)

**A lost time injury/illness is one that results in an employee missing work due the injury/illness. The lost time incident rate for our industry classification is 0.1 (2019 Bureau of Labor Statistics data)

Looking Ahead

Council

We plan to further embed Council into the business so that we can continue to build and sustain a community steeped in integrity, connection, creativity, and kindness.

Specific goals include: expand team Councils to 20 locations and offer team retreats in 10 locations to cultivate team connections; introduce leadership Councils across multiple offices to foster personal connections between team members and executives; host gender and DEI Councils in 10 cities; and support the creation of a global Council network.

Talent Development

For manager development, we plan to launch a series of roundtable discussions to foster peer learning. To continue to support Diversity, Equity and Inclusion learning and development, we have rolled out allyship workshops to promote behaviors that are critical for an inclusive culture, launching customized e-learning to scale unconscious bias training for new hires; and creating resources to manage potential bias in performance feedback, recruiting, and onboarding processes. We are launching learning programs around our values-based behaviors to ensure broad understanding of the behaviors that make Snap team members successful. And for digital learning, we plan to launch Workday Learning, a one-stop shop for developmental content and experiences, including learning paths on our values-based behaviors.

Wellness & Benefits

Snap will extend paid parental leave to 16 weeks for all Snap team members for all birthing and non-birthing parents. We also will launch a Return to Work Program for team members on leave for 16 consecutive weeks or more, offering these team members a transition period and additional flexibility. We will also launch on-site therapy in our Santa Monica offices to improve accessibility for mental health services.

Health & Safety

We plan to formalize and scale existing health and safety programs and develop and implement a global ergonomics program.

