

2021

# Gender Pay Gap Report

Snap UK



# About Snap



## OUR MISSION

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 are proud to serve an incredibly diverse community of Snapchatters around the world, and we believe that cultivating an inclusive workplace and inclusive products are central to our mission.

We want to drive greater leadership, inspiration, and accountability to create a truly fair, inclusive, and anti-racist company, and have set a comprehensive strategy, with public representation goals, needed to live up to that promise within our company, our products and our larger ecosystem of partners and vendors.



Each year in our annual diversity reports, we report on our progress—where we need to continue to do better, and new initiatives that will help us further drive meaningful change. Above all, we want to give talented people from all backgrounds an equal opportunity to work and succeed at Snap. We approach this ongoing work with humility, and know that transparency and accountability are critical in our ongoing efforts to improve.





# Equitable Compensation

## OUR PHILOSOPHY ON EQUITABLE COMPENSATION

Pay gap reporting highlights important opportunities for our company and our industry to improve gender representation in leadership and technology roles. As of this past year, we now employ more than 250 Snap team members in the United Kingdom, which means we now meet the eligibility requirements set by the Government Equalities Office to share data on the gender pay gap. Like many of our peers, unequal representation is the primary driver of our pay gap in the UK, and this report lays out our data, and the specific goals and initiatives we have in place to address this root issue.

At Snap, we are committed to ensuring “equal pay for equal work” which means we focus on paying our team members fairly, consistently and in line with the market for each job function and level, regardless of gender. To that end, we have carefully constructed our compensation programs to promote equitable pay. For each specific role, at every level, we do extensive market research to determine the competitive pay ranges and annual compensation targets. We give each team member transparency into the base compensation range and annual compensation targets for their specific role, so they can understand how their pay is set and their future opportunities for growth.

Each year, we carefully review our salary data towards achieving pay equity, and take steps to correct any disparities we identify during this process. This can include increasing aspects of our annual compensation targets and evaluating and improving any underlying processes that may be contributing to inequities.

The gender pay gap is different from the concept of equal pay for equal work; instead it calculates the difference between what men and women earn, based on their hourly average earnings.



# What our Data Shows

## OUR 2021 UK BINARY GENDER PAY GAP

Snap's average (mean) hourly gender pay gap was 39 percent in favour of men and our median gender pay gap was 53 percent in favour of men. Our mean bonus pay gap was 55 percent and our median bonus pay gap was 65 percent, both in favour of men.

Our full statutory gender pay gap figures are below.

## HOURLY AND BONUS PAY GAP

### HOURLY PAY GAP

# 53.1%

Median

# 38.6%

Mean

### BONUS PAY GAP

# 65.1%

Median

# 55%

Mean

### WHO RECEIVED BONUS PAY

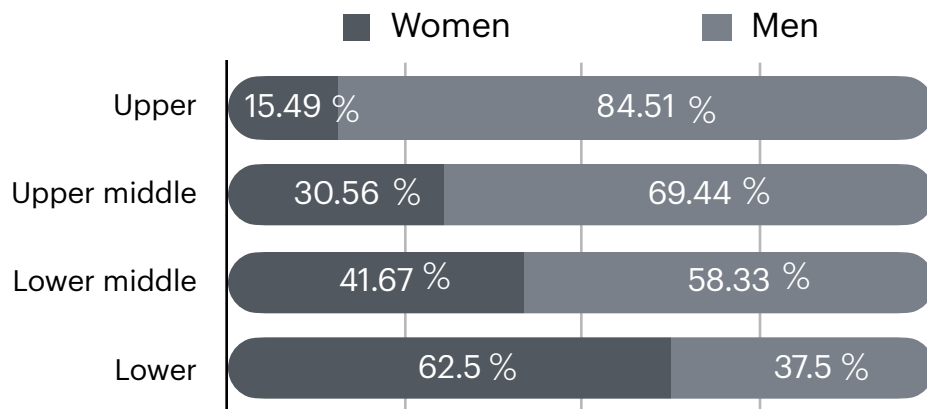
# 94.4%

Men

# 93.8%

Women

## PAY QUARTILES



For our statutory report, we utilised the hourly rates of pay and the organisation demographics of SNAP GROUP LIMITED, UK as of the snapshot date of 5th April 2021 and the bonuses paid in the 12 months up to 5th April 2021.



## OUR 2021 UK BINARY GENDER PAY GAP

Our hourly wage data is calculated by including team members' base salaries, allowances, and stock-based compensation, which vest in equal monthly installments over a three-year period. We believe this monthly vesting schedule is much more favorable for our team members, giving them choice and flexibility in how they can manage their shares. This is a different approach than the reporting methods used by many of our peers, who have less frequent stock vesting schedules and therefore don't include that aspect of compensation in their hourly wage calculation.

If we used that same methodology and excluded monthly stock-based compensation from the hourly pay compensation, our median hourly pay for women would be

**19.55%** lower than for men and our mean hourly pay for women would be **20.93%** lower than for men.





# Improving Representation within Snap

The primary factor behind these gaps is having a much smaller percentage of women in tech roles than men (which are generally higher paid roles) and at less senior levels (as can be seen by the pay quartiles published in the report). More than half of our UK team is composed of team members who work in tech-specific roles, such as on our Engineering and Product teams. The rest of our UK team work in our Sales and Revenue organization, with a small group of local team members working in business support functions.

We are acutely focused on improving the representation of women in our tech organization and at leadership levels, and a key part of that strategy is to set public goals to hold ourselves accountable.

**In our 2021 diversity report, we publicly committed to increasing the number of women in tech roles globally by 25% by the end of 2025, building on a goal we set in 2020 to double the number of women in tech roles in 2023.**

Across our company, we treat diversity, equity and inclusion (DEI) like any other business priority – using data, tracking goals, and tying progress to team members’ contributions toward advancement.

- **To ensure all team members feel ownership of creating a more inclusive and equitable culture,** our performance feedback process measures each individual’s contributions to DEI at Snap, and is factored into decisions around promotions and performance-based bonus awards.
- **To support the professional development of women and underrepresented team members,** we reward Employee Resource Group (ERG) Leads in the form of additional equity grants. ERGs also work closely with our executive leadership to deepen their understanding of the lived experience of inequity and advise them on ways to incorporate DEI more comprehensively into their business goals.
- **To help our executives identify key areas of improvement and create strategies for addressing them,** we give them access to year-around data on their hiring, leadership, and attrition rates. Each executive across our company sets annual DEI goals that ladder up to our company-wide goals, and we now link our executive performance evaluations with their progress toward our DEI goals.

In addition to these steps and the many more outlined in our [Diversity Annual Report](#), we rolled out our voluntary self-ID survey in the UK last year. We did this to help us better understand the needs of our team members. This information will help us enhance our benefits and pay equity analysis to better support the needs of our team members, such as by providing emergency childcare for parents or increasing benefits for transgender team members.



# Looking Ahead: Collaborating on Industry-Wide Solutions

Unfortunately, lack of representation of women in tech is not unique to Snap, and we know that meaningfully addressing this challenge will require companies to work together on collective solutions. With that broader ambition in mind, in 2020 Snap helped convene a new coalition of DEI experts to create a blueprint for tech companies to commit to bold, collective action to drive internal and sector-wide change. In 2021, this coalition released the Action to Catalyze Tech (ACT) Report, with over 30 CEOs and executives from leading tech companies signing on — including from Airbnb, Apple, Dropbox, Google, Netflix, Twitter, Salesforce, Snap Spotify, and Uber.

As founding ACT Report signatories, Snap and other companies have committed to fundamentally redesigning their systems for hiring, compensation, retention, and promotion to ensure fairness and equal opportunity. For example, to better recruit and hire underrepresented talent into key tech roles, companies commit to partnering with local organizations that act as talent scouts, working with traditionally disconnected talent to pursue careers in tech, including community colleges, workforce training institutions, and community-based organizations.

In addition, the ACT coalition created the first industry-wide DEI reporting standards for data, which participating companies will provide to a new independent body that will help companies make progress in key areas, such as representation of women in tech and leadership roles.

## STATUTORY DECLARATION

We confirm that the information and data in this report are accurate and in line with the requirements of the Gender Pay Gap Reporting Regulations.

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