

OUR GLOBAL TAX STRATEGY

INTRODUCTION

Snap Inc. is a camera company.

We believe that reinventing the camera represents our greatest opportunity to improve the way people live and communicate. Our products empower people to express themselves, live in the moment, learn about the world, and have fun together.

We seek to run our business in the long-term interest of all our stakeholders, including investors, governments, employees, and our communities. 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 hold our employees and anyone working on our behalf to the highest standards of lawful and ethical conduct. These high standards reflect our values – we want to maintain the trust of our customers, business partners and the public, and foster a reputation for integrity and transparency.

Our global business activities require us to pay a variety of taxes, including corporate income taxes, value-added taxes, withholding taxes, and employment taxes. We also collect and pay taxes on behalf of our employees.

OUR APPROACH TO RISK MANAGEMENT AND GOVERNANCE ARRANGEMENTS

“Risk management” is a term that describes the actions we take to lower the risk of us accidentally getting something wrong. In simple terms, this involves working out what could possibly go wrong and then determining what steps we should take to lower the risk of that happening. This is achieved through a mix of policies (decisions on what we should do) and internal controls (the means by which we try to lower that risk).

Our tax risk management strategy is overseen by the audit committee of Snap Inc.’s board of directors. The audit committee is composed of independent directors and has a charter that outlines its responsibilities. Those responsibilities include reviewing our tax risk assessment and our system of internal controls. The audit committee meets quarterly and discusses tax matters. If the committee believes any matters require the attention of the full board, these matters are discussed at the next board meeting.

Our executive officers, including our general counsel and chief financial officer, are responsible for the day-to-day implementation of risk management. They rely on specialists on their teams and our system of internal controls to execute our risk management strategy. There is an open dialogue between the audit committee and those individuals tasked with the day-to-day implementation of risk management.

HOW WE DEAL WITH TAX UNCERTAINTY

We want to get our taxes right. We seek to comply with all of our tax payment and reporting obligations consistent with the applicable laws, regulations, and generally accepted standards. But sometimes it is not clear what the right answer is. Our business spans many countries around the world, and the interaction of complex tax laws in different jurisdictions can make it difficult to determine the right answer. There is a risk that tax authorities might disagree with us or with each other.

Our values and commitment to doing business responsibly and ethically guide the way we manage these risks and we consider them as part of our broader business risk management processes.

Where we are unclear on a particular matter, we seek advice and counsel from professional advisors outside the company who are chosen for their knowledge of the subject-matter and issues.

OUR ATTITUDE TOWARDS TAX PLANNING

We believe in doing business in a straightforward way by having a corporate legal structure and operating model that fits our business, paying our taxes, and just generally being a good citizen. When we plan what our business should do next, we consider things we might do and the potential results of those decisions. We might then modify our plans to see if we can get a better result. This planning process considers the various costs and benefits of potential actions. "Tax planning" is the part of this process that relates to taxes.

Our tax team works to support our commercial and business objectives and make sure that tax is included in the overall planning process in the same way as other costs and benefits. Our team does not engage in artificial tax planning practices that are against the spirit of the law.

Some countries allow taxpayers to take advantage of certain incentives, make choices in how they are taxed, or elect different tax treatments. We may claim such incentives and make such elections where it is advantageous to do so.

We have licensed a portion of our intellectual property to our United Kingdom subsidiary. As such, our U.S. parent and our United Kingdom subsidiary are the companies within our group that are primarily responsible for engaging with our customers. The United Kingdom serves this role for various reasons. We have and intend to continue to base a significant portion of our non-U.S. operations in the United Kingdom. The United Kingdom is an important market for us because it is a key market for our advertising business, and has a strong talent pool and business environment. We also engage in local sales support activities in other key markets besides the United States and the United Kingdom. When that activity becomes significant to us, we evaluate whether to establish a local subsidiary, with a local team, to sell to local advertisers and record advertising revenue locally, whether through direct sales, our advertising API, or our self-serve platform. As a result, out of all revenue from countries where we have local sales support teams, we record the vast majority of that revenue locally. This not only allows us to be more transparent with local tax authorities, but also positions us to serve our local customers in those markets more responsively and furthers our goal of being a good corporate citizen. We do not operate in tax havens and do not have any stateless or "nowhere" income that is not taxed. In short, our goal is for our corporate legal structure to follow our business, not the other way around.

OUR RELATIONSHIP WITH TAX AUTHORITIES

We aim to engage in an open, honest, and transparent manner with anyone we deal with and this includes all tax authorities in respect of all tax matters. We will work in a cooperative and constructive manner with tax authorities to resolve disputes or where there may be uncertainty in the interpretation of tax laws.

DECLARATION

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