

Civil Rights Department

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June 19, 2024 For Immediate Release publicaffairs@calcivilrights.ca.gov 916-938-4113

Civil Rights Department Obtains \$15 Million Settlement Agreement with Snapchat Over Alleged Sex-Based Employment Discrimination

Settlement resolves more than three-year investigation into allegations of employment discrimination, equal pay violations, and sexual harassment

SACRAMENTO – The California Civil Rights Department (CRD) today announced obtaining a \$15 million settlement agreement with Snap Inc. — known for the Snapchat social media platform — over alleged discrimination, harassment, and retaliation against women at the company. As part of the agreement, which is subject to court approval, Snap Inc. has committed to taking action to help ensure the implementation of fair employment practices and provide monetary relief to women who were employees at the company in California between 2014 and 2024.

"In California, we're proud of the work of our state's innovators who are a driving force of our nation's economy," **said CRD Director Kevin Kish.** "We're also proud of the strength of our state's civil rights laws, which help ensure every worker is protected against discrimination and has an opportunity to thrive. This settlement with Snapchat demonstrates a shared commitment to a California where all workers have a fair chance at the American Dream. Women are entitled to equality in every job, in every workplace, and in every industry."

The settlement announced today resolves a more than three-year investigation into Snap Inc. over claims of employment discrimination, equal pay violations, and sexual harassment and retaliation. Founded in 2011, Snap Inc., which is based in Santa Monica, California, underwent a period of rapid growth, increasing its employee count from 250 in 2015 to over 5,000 in 2022. CRD alleged that despite its growth, Snap Inc. failed to put into place measures to ensure that women were paid or promoted equally. Instead, women encountered a glass ceiling and were told to wait their turn, were actively discouraged from applying for promotions, or lost promotion opportunities to less qualified male colleagues. CRD also alleged that women suffered unwelcome sexual advances and other harassing conduct. When women spoke up, they allegedly faced retaliation, including in the form of the denial of professional opportunities, negative performance reviews, and termination.

Today's announcement is in addition to Snap Inc.'s ongoing commitment to promoting and strengthening inclusivity in its hiring and retention policies. If approved by the court, the settlement will require Snap Inc. to:

- Pay \$15 million to cover direct relief to workers and litigation costs. Of the total, approximately \$14.5 million is dedicated to compensating workers.
- Retain an independent consultant to evaluate and make recommendations regarding Snap Inc.'s compensation and promotion policies and training materials.
- Ensure that future contracts with staffing agencies require compliance with state protections against workplace discrimination and harassment.
- Recognize its obligation to not discriminate against or harass employees based on sex, as well as comply with all federal and state antidiscrimination laws.
- Contract with a third-party monitor to audit Snap Inc.'s sexual harassment, retaliation, and discrimination compliance and make appropriate recommendations.
- Ensure staff complete training on the prevention of discrimination, retaliation, and sexual harassment in the workplace.
- Provide information to all employees regarding their right to complain of any harassment or discrimination without fear of retaliation.

Women who worked as employees for Snap Inc. in California between 2014 and 2024 may be eligible to receive compensation. At this time, no action is needed by individuals covered under the proposed agreement and additional information will be posted on CRD's website upon approval by the court. If the court approves the settlement, covered workers will receive further information and updates from a settlement administrator.

If you or someone you know has been the victim of employment discrimination or harassment, CRD may be able to assist you through its complaint process. General information about CRD's complaint process and how to file a complaint is available <u>here</u>. Additional information regarding protections against discrimination and harassment in the workplace is available <u>here</u>.

The settlement announced today was supported by numerous attorneys in CRD's Legal Division, including Rumduol Vuong, Alexis McKenna, Mackenzie Anderson, Irene Meyers, Jenny Chhea, Azadeh Hosseinian, Gwendolyn Leachman, and Eliana Mata.

A copy of the proposed consent decree is available <u>here</u>. A copy of the complaint is available <u>here</u>. The proposed consent decree is subject to court approval.

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The California Civil Rights Department (CRD) is the state agency charged with enforcing California's civil rights laws. CRD's mission is to protect the people of California from unlawful discrimination in employment, housing, public accommodations, and state-funded programs and activities, and from hate violence and human trafficking. For more information, visit <u>calcivilrights.ca.gov</u>.

