# Joint Select Committee on Social Media and Australian Society Questions on Notice for Snap Inc

## **Question from Senator Sarah Hanson-Young (requested during 28 June 2024 hearing)**

28 June 2024 Public Hearing (page 27 of proof Hansard transcript):

I would like to ask, on notice, who you have those [media content partnership] contracts with. That would be very helpful for us to understand. You've given us two, but a comprehensive list would be helpful.

## List of media content partners in Australia

Are Media

Banijay Group

From The Drafts

Jalal Brothers Pty Ltd

Kairos Media

LADbible Group

Let's Go Viral!

Little Dot Studios

Nationwide News Pty Ltd

Network 10 Pty Ltd

News Corp Australia

Optus Pty Ltd

Pedestrian Group Pty Ltd

Reilly Ventures Pty Ltd

Snack Drawer Pty Ltd

Tastemade, Inc.

The Brag Media

The Daily Aus Holdings Pty Ltd

Totem Global Pty Ltd

VA Media

VG Media Limited

Webdevoir Pty Ltd

WTFN Entertainment Pty Ltd

## Questions from Ms Zoe McKenzie MP (sent on 3 July 2024)

#### Corporate Affairs

27) How many employees do you have in Australia?

As of July 2024, we have 57 full time employees in Australia.

28) How much did you pay to employees each year over the past five years?

Please see the table below, which sets out total personnel expenses for employees in Australia, recorded under Australian Accounting Standards from 2019-2023. Total personnel expenses primarily include salaries and wages, benefits, stock-based compensation, and payroll taxes.

Year	2019	2020	2021	2022	2023
Personnel expenses					
AUD (in thousands)	20,130	20,730	20,263	29,742	24,096

29) How much did you pay to Australian suppliers over the past five years?

Snap does not track this information.

30) Where are your corporate offices located in Australia?

Snap's Australia office is located in the Sydney CBD.

31) How much revenue did you make each year over the past five years?

Please see the table below, which sets out total revenue earned from all sources in Australia from 2019-2023.

Year	2019	2020	2021	2022	2023
Total revenue AUD (in thousands)	50,871	78,294	105,958	92,156	88,301

32) How much tax did you pay in Australia in the past five years?

Snap is a signatory to Australia's voluntary Tax Transparency Code and every year we publish comprehensive details of tax paid in Australia on our <u>website</u>. You can find our Tax Transparency Code reports for 2020-2022 here, and we will publish our report for 2023 in the coming months.

33) Did you engage any external support in preparation for the hearing?

We engaged Ogilvy Public Relations to assist in our participation in the inquiry.

34) On what date did you appoint Ogilvy Health as a lobbyist for Snap?

We engaged Ogilvy Public Relations to assist in our participation in this inquiry on 5 June 2024. Two of the consultants advising us are listed on the Lobbyist Register as employees of Ogilvy Health.

35) What was the purpose of the Ogilvy Health appointment?

Ogilvy has been working with us to advise on our engagement with, and responses to, the Committee.

#### Media literacy as a means of tackling mis and disinformation

- 36) How important do you think it is for children to be taught media literacy at primary school?
- a) If so, at what age?
- b) What should the key components be?
- 37) Do you provide any support to media literacy programs at any school level?
- 38) What plans do you have to increase and/or make permanent your support for programs that educate media literacy skills to Australian school children?

[grouped response to questions 36-38]

We do not consider it our place to comment on how the school curriculum should be taught. At Snap, our goal is that Australians can engage in a safe, positive, and creative way on Snapchat. We provide a range of resources to support our community:

**Policy, Privacy, and Safety Hub:** Our Policy, Privacy, and Safety Hub provides bite size information to our community and the general public at large on important topics, including our Community Guidelines, Privacy Policy, and safety-related information, such as information on how to report content on Snapchat. All this information is available on a dedicated website: <a href="values.snap.com">values.snap.com</a>.

**Here For You:** Our proactive in-app support system, Here For You, surfaces resources from expert organisations when Snapchatters search for a range of mental health-related terms, including eating disorders, anxiety, stress, depression, suicidal thoughts, and more. Here For You provides Australian Snapchatters with resources from NGOs based in Australia, including Project ROCKIT and Reachout Australia.

**Safety Snapshot:** We produce a Snapchat content channel which is dedicated to safety. "Safety Snapshot" covers a range of safety topics such as sextortion, bullying, drugs, and other harmful behaviour, and educates Snapchatters on what they can do to protect themselves. "Safety Snapshot" content in Australia contains advice on reporting to the eSafety

Commissioner and the Australian Centre To Counter Child Exploitation (ACCCE) in appropriate instances.

Family Centre: Snapchat's parental settings tool, Family Centre, lets parents see their teens' friends on Snapchat and easily view new friends their teens have added. Parents can also view who their teens have been communicating with over the last seven days, as well as a complete list of group members in any Group Chat their teens have been active in over the last week. Parents can directly and confidentially report concerning accounts to our Trust & Safety teams, review their teens' privacy settings, and set content controls. Family Centre is also designed to spark conversations about online safety within families; our research tells us that young people whose parents or carers check in with them about their online activity report greater digital wellbeing.

**Parent's Guide:** Our online <u>Parent's Guide to Snapchat</u> and dedicated website for parents - <u>parents.snapchat.com</u> - provides parents with information and resources about Snapchat, our safety processes, and how to report concerns.

39) Do you acknowledge the role social media plays in expanding the reach of mis and disinformation?

Snapchat is designed very differently from traditional social media, in ways that help us prevent the spread of misinformation and disinformation. Content on Discover and Spotlight, which are the more public areas of our platform, is curated and moderated, respectively, before being recommended for distribution to a large audience. Snapchat doesn't offer live-streaming, or an open feed where users can broadcast false information. The approach we have taken at Snapchat makes the app an unattractive environment for spreading misinformation and disinformation.

- 40) Would you consider options like ensuring that news or information on your platform not from a verified news channel is verified as such?
- a) What would you suggest is the best way of doing this?
- b) Are you required to do this in any jurisdiction currently?
- c) If so, where?

The way in which news publisher content is made available on Snapchat works very differently from traditional social media platforms. Snapchat does not have a feed of unvetted or unmoderated content. Instead, on our Discover and Spotlight pages, content is moderated before it can be recommended to a large audience, including through the use of proactive detection tools. Also, our Discover platform is driven by content partnerships. We work closely with media partners from around the world - including Australia - to deliver personalised and relevant content on Snapchat, allowing media outlets to reach new, and typically younger, audiences.

Given our model, we consider the best way to ensure the provision of trusted information on Snapchat is through our existing processes of working with trusted media partners, and

moderating the more public areas of our platform before content can be recommended for distribution to a large audience.

- 41) In mid-June 2024, The Squiz and Squiz Kids conducted a survey of our audiences to understand the impact social media has had on them and their children. More than 1,000 responded, the majority being parents of school-aged children and teachers. 98% of parents identified exposure to misinformation, deep fakes and biased media as their number one concern for their kids when online, and 73% of respondents believe media literacy should be taught to kids in Grades 3-6 before they have a smartphone in their hands
- a) Do you acknowledge the role social media plays in proliferating disinformation?
- b) Would you consider options like ensuring that news or information on your platform not from a verified news channel is highlighted as such?

Please see our responses to these questions above.

#### Data storage

- 42) What data on Australian users do you store?
- a) Under which legal jurisdiction is this data stored?

Snap Inc. is a U.S. company and data controller of all Snap personal data.

Information on Snap's approach to data, including how we collect and use data and how users can control their information, is set out clearly in our <u>Privacy Policy</u>.

b) What specific laws apply to the data where it is stored?

A range of laws may apply to data storage, depending on the facts and circumstances of the inquiry. For example, the U.S. Stored Communications Act may apply in relation to voluntary and compelled disclosure of electronic communications.

Online Safety act, duty of care and age verification

- 43) Is social media a positive experience for children?
- 44) Is social media a safe experience for children?

[grouped response to questions 43-44]

Snapchat is intentionally designed very differently from traditional social media platforms. Snapchat is primarily used as a messaging service to talk with friends, not to find new friends or share ideas or information with large groups of people. We believe that the way Snapchat is designed makes the app a safer and more positive environment.

We are vigilant about protecting Snapchatters, particularly those aged 13-17, and have made many design choices in support of our responsibility to provide and promote a safe and positive experience for our community.

<u>Protections against unwanted contact:</u> People typically use Snapchat to connect with friends they know in real life, and our goal is to make it hard for young people to be contacted by strangers. To do this:

- Contact settings for all users are set to friends and phone contacts only, and can't be expanded.
- We keep friend lists private, which reduces social pressure and helps prevent strangers from targeting a person's friends on Snapchat.
- We offer safety tools for Snapchatters to easily block, report, and remove individuals from their friends list if they no longer wish to be in touch with them.
- Location-sharing for all users is off by default. If Snapchatters decide to use the location-sharing feature on our Snapchat Map, they can only share their location with people they are already friends with.

<u>Stronger safeguards for teens</u>: While we prioritise creating a safe and positive experience for Snapchatters of all ages, given Snapchat's popularity among teenagers we have additional protections in place for younger people:

- While we already intentionally make it harder to find others on Snapchat compared to
  other platforms, it is even harder to find Snapchatters who are not adults. Teen Snapchat
  users (aged 13-17) are not recommended to another person unless they have multiple
  mutual friends on the platform, meaning they are likely to know them in real life.
- We also show warnings to teens if someone with whom they do not share minimum mutual friends tries to chat with them. Teens will now also see a warning message if they receive a chat from someone who has been blocked or reported by others, or is from a region where the teen's network isn't typically located.
- On Stories and Spotlight, suggestive content is not recommended to users under 18 by default. Snap uses a combination of human review and machine learning to label whether content is suggestive, and removes all pieces of content with that label from the recommended content surfaces of users under 18.

Zero tolerance for severe harms: If we discover severe offences on Snapchat – such as activity that involves sexual exploitation or abuse, or credible, imminent threats to human life, safety, or wellbeing – we immediately remove the violative content, disable the account, and use technology to help prevent them from returning to Snapchat. When we identify emergency situations involving the risk of death or serious injury, we escalate them to law enforcement and work to support their investigations. Additional information about our approach to addressing severe harms is available at

https://values.snap.com/privacy/transparency/community-quidelines/severe-harm.

<u>Simple reporting tools:</u> We offer easy ways for both teens and parents to confidentially report a safety concern to us – either directly in the app, or online for those who don't have a Snapchat

account. Reports go directly to our safety teams, which work around the clock to take appropriate action. Even though conversations on Snapchat delete by default, when we identify illegal and potentially harmful content, we remove it and preserve it for an extended period, making it available to law enforcement if they follow up with a legal request.

<u>Tools for parents:</u> We want to give parents important information to help them monitor their teens' activity – similar to the ways they do in real life – so that they feel more empowered when talking to their teens about safer and healthier online habits. We offer an in-app suite of tools, Snapchat's Family Centre, that allows parents to see who their teens are talking to and who their friends are, and set content controls. We don't give teens the ability to change the restrictions parents can set.

<u>Wellbeing, resources and education:</u> Snapchat doesn't have public social comparison metrics when you talk to your friends – such as public friend lists, public likes, and public like counts. We believe such comparison metrics increase social pressure. We have an in-app resource called Here For You that surfaces content and resources from expert partners when Snapchatters search for a range of terms related to mental health and wellbeing. We also continue to invest in offering educational resources for teens, including the in-app "Safety Snapshot" series which teaches Snapchatters about a range of online harms.

- 45) In the recent Online Safety Codes for Class 1A and 1B material for social media platforms, privacy protections which aim to prevent grooming were limited to protect children only up to the age of 16 (instead of 18).
- a) Given the widely acknowledged risks facing young people online, why was the age of 16 chosen, leaving older children unprotected.
- b) What research do you have that suggests that 16 and 17 year olds don't face the same grooming risks in Australia?
- c) And if there isn't any research, why would you not adopt a precautionary approach?

The Online Safety Industry Codes have been developed by industry associations and they are best placed to respond to this question. More information on Codes and the industry associations that have developed them are available at <a href="https://onlinesafety.org.au">https://onlinesafety.org.au</a>.

We are vigilant about protecting Snapchatters, particularly those aged 13-17, and have made many design choices in support of our responsibility to provide and promote a safe and positive experience for our community, including making it difficult for strangers to find and interact with teens. Please see our response to guestions 43 and 44 above.

46) Do you support age verification for social media platforms? What is the minimum age you think is appropriate?

As we set out in our submission to the Committee, providing effective age verification or assurance that balances user safety, data privacy and security, with fairness, accessibility and equity, is a persistent policy challenge.

The eSafety Commissioner's <u>Roadmap for age verification</u> (March 2023, published in August 2023, alongside the <u>Government's response</u>) effectively highlights the many challenges here. As the Roadmap outlines, there are two primary options when it comes to age verification or assurance:

- ID-based solutions: asking users to provide ID to verify their age.
- Age estimation technology: often involving the use of biometric data, such as a facial scan, to infer a person's age or age range.

As the Government effectively summarised in its response to the Roadmap, "each type of age verification or age assurance technology comes with its privacy, security, effectiveness and implementation issues... the Roadmap finds that the age assurance market is, at this time, immature." ID-based solutions would require users to input highly sensitive personal documents from passports, driver's licences, or other types of IDs. The privacy risks of asking a wide range of online platforms to hold this information are, in our view, unacceptably high.

With regard to facial estimation technology, the Roadmap finds this technology is "promising but may offer a lower level of certainty... [it] may not perform well for some skin tones, genders, or those with physical differences."

Our view is that the best available option is device level age verification. When registering a new device, such as an iPhone or Android phone, the age of the user is collected as part of registration. We believe that adding a level of age verification to this step, and then making this verified age available to all services, would simplify the process for users. It would also reduce the risk of repeatedly providing sensitive ID data to a wide range of applications.

We understand that parenting teens and navigating the use of technology isn't easy these days. While we require all users to be at least 13 years old, the age at which parents allow their teen to access Snapchat is an individual decision for each family (based on factors like a teens' age and maturity level, as well as individual family values). Through our online Parent's Guide and Family Centre we work to empower parents and carers with the tools and resources to make appropriate choices with their teens, help them to better understand how their teens use the app, and encourage conversations within families about safe and healthy use.

a) You suggested in the Social Media Inquiry on 28/6 that a blanket age cap was not an appropriate solution. Why is this?

Please refer to the transcript of the Committee hearing on Friday 28 June to see the detailed answers provided in response to questions regarding proposed restrictions for social media for teens under the age of 16.

- 47) What measures do you have in place to ensure underage people are not sending explicit photos of themselves to people over the age of consent?
- a) Do you know if someone under age is sending explicit content to someone over the age of consent?

- b) Do you think more could be done in this space, aside from education?
- c) In an ideal world, what regulatory framework would facilitate the best circumstances to ensure the safety of children on this app?
- 48) You have said that Snapchat, an app that you said in your capacity as a witness on 28/6/24 is largely for 'messaging friends and family' and to 'communicate with their friends'. Do you accept that sexually explicit, exploitative and self harm related content can be sent between friends and family?
- a) What are you doing to mitigate this?

[grouped response to questions 47-48]

We want to protect all members of our community from the potentially devastating consequences of their most private content falling into the wrong hands. We prohibit sharing sexually explicit images of anyone – including users under 18 – and encourage our users never to send or save even their own sensitive images. If we become aware of child sexual content, we report it to the National Center for Missing and Exploited Children (NCMEC) in all appropriate cases.

We empower users to report this content with easy to use in app reporting tools. We also participate in NCMEC's Take It Down program, which is designed to help teens prevent the online spread of their sexually explicit images by having technology companies scan for and identify possible duplicates that may be circulating on their services.

We continue to invest in offering educational resources and tools to teens and parents. For example, four episodes of our in-app "Safety Snapshot" series focus on sexual risks and harms like financial sextortion, sexting, and the consequences of creating and sharing nudes. "Safety Snapshot" content in Australia contains advice on reporting to the ACCCE (if the user is under 18) and to the eSafety Commissioner (if 18 or older).

We have introduced a pop-up warning when a teen receives a message from someone whom we think they may not know in real life. The message flags potential risk for teens so they can carefully consider if they want to be in contact. We have expanded these in-app warnings to incorporate advanced signals that may be associated with sextortion. Teens now also see a warning message if they receive a message from someone who has been blocked or reported by others - or is from a region where the teen's network is not typically located - which may also be associated with sextortion.

We want to help keep users safe, which is why we continue to invest in specialist teams that respond to safety issues and support local law enforcement agencies, including in Australia, where we have Trust & Safety and Law Enforcement Operations teams based in our Sydney office.

With respect to the question on regulation, Australia has a regulatory framework to address harmful content and activity online as established by the Online Safety Act 2021, and the eSafety Commissioner and the ACCCE have reporting processes for image-based abuse (which, as set out above, we direct Snapchatters to using our in-app resources).

Please see our response to questions 50-52 below for information on content involving self-harm.

#### App safety

49) When someone is reported for bullying on your platform, can you elaborate on the steps and processes Snap has in place to respond?

Bullying is a violation of our Community Guidelines and has no place on Snapchat. We have put in place policies and tools to mitigate bullying behaviour while providing resources for those experiencing bullying. If a Snapchat user experiences or observes bullying behaviour, we strongly encourage them to take immediate action to block the offending user.

We also encourage users to confidentially report the account, message, or content to our Trust & Safety teams. We provide a specific reporting category for bullying and harassment and give users the ability to report specific Chats and Group Chats. Our Trust & Safety teams, including a Sydney-based operation, work around the clock to quickly review reports made by users, remove violating content, and take appropriate action.

We have conducted specific anti-bullying campaigns on Snapchat in Australia, including with Project ROCKIT, to encourage young people to stand against this behaviour and call it out when they see it. Our in-app mental health portal, Here For You, provides resources from expert organisations, including NGOs and NGOs based in Australia, for getting help or supporting a friend in crisis.

- 50) How many bullying complaints have been received in the past five years?
- 51) Noting the tragic circumstance around Matilda Rosewarne, how many complaints have you received about the bullying leading to suicidal thoughts?
- 52) in Australia?

[grouped response to questions 50-52]

Snap is committed to providing transparency and publishes bi-annual <u>transparency reports</u> detailing the number of reports of, and responses to, bullying and harassment on Snapchat. As a part of our transparency reporting, we have a <u>dedicated page for Australia</u> showing the number of reports we received from users in Australia during the reporting period for each category of harmful content and accounts (including bullying and harassment), and the number of corresponding enforcements against relevant contents and accounts.

Since 2020, when we began reporting data on harmful content in our transparency reports, we have received 24 million reports of bullying and harassment globally. We have received 746,000 reports of content related to suicide and self-harm globally over the same period. In Australia, we received 160,713 reports of bullying and harassment and 4,768 reports of content related to suicide and self-harm during our last reporting period covering 1 July - 31 December 2023.

When our Trust & Safety team become aware of a Snapchatter in distress, they can forward self-harm prevention and support resources, and notify emergency response personnel when appropriate. The resources that we share are available on our global list of safety resources, which includes Australia-specific resources, and are publicly available to all Snapchatters. Since 2020, we've shared 116,000 suicide and self-harm resources with Snapchatters globally.

53) How do you cooperate with police investigations in identifying who the Snapchat accounts belong to?

We have a dedicated Law Enforcement Operations team, including team members based in Sydney, who respond to valid law enforcement requests for user data. More detail is set out in our <u>Information for Law Enforcement</u> page in Snap's <u>Safety Centre</u> website.

In the event we receive an emergency disclosure request from law enforcement, which involves imminent danger of death or serious injury, our team usually responds within 30 minutes.

A common misperception is that having messages that are ephemeral by default makes it impossible for us to retain data to support law enforcement investigations. This isn't accurate. We want criminals who abuse Snapchat to be brought to justice and we support law enforcement investigations.

Even though messages delete after 24 hours by default, if we find and remove illegal content (either proactively or if it's reported to us), we retain that content for an extended period so it is available in case law enforcement wants to follow up with appropriate legal process. Even if the relevant messages were deleted before we were notified, we can often provide other types of data to assist in an investigation. Finally, Snap routinely preserves user data identified at the request of law enforcement for later use in investigations or prosecutions.

54) What do you think of the idea of a database of student phone numbers, emails and social media accounts being held by schools?

It is difficult for us to comment on this idea without understanding it in more detail. However, cyber security and privacy would need to be considered to ensure the protection of such data.

## Screentime and screen addiction

- 56) What is currently the average duration of time per age group spent on Instagram and Facebook with each visit?
- a) How many visits per day does the average person make?
- b) How many visits are made per average of each age group?

- c) Has this changed in the last 5 years?
- d) Do you have a class of 'high use' customers? How much time does a high use customer spend on your platforms each day?

We cannot comment on other platforms, but Australian Snapchat users <u>open the app an</u> <u>average of 40 times per day</u>, including to chat with friends and family. Snap does not apply any classification of "high use" to our users.

- 57) Last year, I hosted a Screen and Gaming Addiction Symposium at the Australian Parliament, together with AGASA. One of the AGASA members, Associate Professor Wayne Warburton, did a study in 2022 through Macquarie University, in which he concluded that "Anyone can develop a screen addiction, but my research shows kids are more at risk if they have issues with impulse control and if their basic needs, like self-esteem, being included, feeling good at things and being in control, are being met better online than online" and that "just like unused muscles, the brain can atrophy and this is visible in brain scans of heavy screen users."
- a) What is Snapchat doing to address the risk of screen time addiction in its users?
- b) Does Snapchat analyse its products through a risk assessment of screen addiction?
- c) Are any principles relating to addiction avoided in product design, and is this intentional?
- d) Has Snapchat factored any safety by design features in to its apps, to directly mitigate screen addiction or support impulse control.

Snapchat is designed very differently to traditional social media platforms. Unlike such platforms, Snapchat doesn't open into a feed of other people's content. Instead the app opens to a camera, encouraging people to engage with the world around them and send a picture or video to a friend. Snapchat also does not have public social comparison metrics, like public "likes" or comments on friends' Snaps or Stories, or visible friends lists.

"Safety by design" – putting user safety at the heart of the design and development of online platforms and services, a concept championed by the eSafety Commissioner – has been foundational to Snapchat's approach from the beginning. We place the safety and wellbeing of our community at the forefront of our product development processes, and put all new features through rigorous reviews, as part of our commitment to safety by design principles. More detail on how we apply safety by design principles at Snap can be found in our submission to the Committee.

e) Do any jurisdictions place constraints on the availability of Snapchat? Where? And what is the nature of that constraint?

We are not aware of any jurisdictions that place constraints on the availability of Snapchat.

58) Have you commissioned any research on the correlation of time spent on Snapchat and children's attention span?

We have not conducted research in this area. As set out above, Snapchat is designed very differently from traditional social media platforms which open into a feed of other people's content.

[Please see response to question 59 under the "algorithms" section below].

- 60) Gamers/consumers have the right to be aware/informed about the features of the products/games they are consuming and how these may prolong their usage, like other products on the market that have identified potential harms or ill consequences.
- a) Does Snapchat make users aware of the potential risk of using their products? i) Why/why not?

Snap provides a range of resources for Snapchatters and their parents, including around understanding potential safety risks. Please see our response to questions 36-38 above for more detail.

61) Do you acknowledge the addictive nature of your platform?

Please see our response above to question 57 above. Snapchat is designed very differently from traditional social media platforms which open into a feed of other people's content.

62) Would you consider a model of removing harmful content that does not put the onus on the consumer (who has just consumed the content) to report it, but instead a proactive model that places the burden on the platform?

The primary use case for Snapchat is as a messaging service to communicate with family and friends. However, in the more public areas of the app, our Discover and Spotlight pages, content is moderated before it can be recommended to a large audience, including through the use of proactive detection tools. This helps prevent the spread of harmful content that can contribute to mental health issues. We also prevent searches for harmful content such as eating disorders or self-harm from surfacing harmful content, and surface our in-app "Here For You" resources for people searching for these terms.

63) Do you think that screen time is a concern in relation to consumption of your app?

a) What do you feel is an appropriate amount of screentime based on the age of the child user?

b) Would you consider limiting a child's ability to consume a Snapchat app based on screen time boundaries?

We do not consider it our place to make recommendations on the overall appropriate amount of screen time for people, which will differ widely according to individual circumstances, but as set out above, Snapchat's primary use case is communicating with real friends, and the app is designed very differently from traditional social media platforms which open into a feed of other people's content. We are not considering time limit restrictions for Snapchat.

c) Do you agree with the US Surgeon General's recommendation for a warning label on social media?

## d) If not, why not?

The comments by the US Surgeon General were made in the context of the United States, which has not passed significant online safety legislation in recent years at the national level, unlike Australia. Australia is ahead of the pack when it comes to online safety regulation with one of the most significant online safety frameworks in the world through the Online Safety Act 2021 and one of the world's foremost online regulators in the Australian eSafety Commissioner. We consider such regulatory frameworks to be the best model for addressing harmful content and activity on online platforms.

#### **Algorithms**

- 59) Persuasive design uses psychology and neuroscience to increase the degree of user engagement with the product and the length of time spent consuming it. Does Snapchat use persuasive design principles in the development of its products?

  a) What are the principles used?
- 64) Do you acknowledge that currently, algorithms incentivise engagement?
- a) Do you acknowledge this leads to sensationalised content that draws consumers in, as well as 'tailored' content?
- b) Do you think your algorithmic format increases a user's risk of addiction?
- c) Do you think you have a duty of care in respect of the potential risk of Addiction?
- d) Would you consider changing the format of your apps, for example an opt in algorithm, to better support better mental health outcomes

[grouped response to questions 59 and 64(a)-(d)]

Algorithms are used differently on Snapchat. Snapchat does not apply an algorithm to a feed of unvetted or unmoderated content, thereby avoiding a "rabbit hole" effect, where users are drawn deeper into a stream of increasingly extreme or harmful content. Snap takes various steps in personalising and ranking content on Discover and Spotlight, the areas of our platform where we apply a recommendation system to serve content. The pages <u>Personalisation on Snapchat</u>, <u>How We Rank Content on Spotlight</u> and <u>How We Rank Content on Discover</u> provide additional detail on the inputs to Snapchat's personalisation algorithm and the process by which certain content is promoted on Discover and Spotlight. Importantly, content on Discover and Spotlight is subject to moderation before it is recommended for distribution to a large audience and reviewed against our <u>Community Guidelines</u> and <u>Content Guidelines for Recommendation Eligibility</u> for compliance.

Snapchat's recommendation system is designed to serve content that is relevant and engaging to users within the moderated environments of Discover and Spotlight, while prioritising a safe and positive user experience. Snap's personalisation of content also embraces the value of showing users diverse content, to help them discover new interests and prevent them from entering an "echo chamber" without differing viewpoints or experiences. Users can manage the

type of content they may be served by adjusting their interest categories which are used to serve content we think they will prefer.

We believe that Snapchat's core architecture and design decisions limit the risk of algorithms that are applied to unmoderated feeds. On platforms where unmoderated content can easily go viral, there is often an incentive for creators to produce extreme content that appeals to people's worst instincts, as this type of content tends to generate more engagement, likes, and comments. By limiting virality on Snapchat, we minimise this incentive.

- e) Earlier this year, Reset. Tech conducted a research experiment for me. They set up a new Instagram account for a fake 17 year old boy on a fresh phone, with a new Sim, and no previous social media activity. The boy searched and liked 40 Jordan Peterson posts. Within 2 hours, he was being recommended Andrew Tate content exclusively on Instagram Reels.
- i) Do you think that this instance of a recommender system is harmful?
- ii) Do you condemn the recommender systems used by other social media platforms?
- iii) How does your algorithm work to lead someone to, or away from, misogynistic content?

We cannot comment on other platforms. Please see the information above about Snap's approach to algorithms.

## Questions from Ms Kate Thwaites MP (sent on 5 July 2024)

- 1) Do you have an anti-scam strategy?
- 2) How do you handle scam complaints?
- 3) How quickly do you take down scam content?
- 4) What resources do you put in to combatting scams in Australia?
- 5) How much are scams costing your users?

[grouped response to questions 1-5]

Fraud or scams of any kind - whether in User Generated Content (UGC) or in advertisements - are activities that are clearly prohibited on Snapchat, as is made clear in our <u>Advertising Policies</u> around deceptive practices and false information, as well as in our <u>Community Guidelines</u> and <u>Commercial Content Policy</u>. We also provide additional detail relating to fraudulent or spammy behaviour in our Community Guidelines <u>explainer series</u>.

The way Snapchat is built is prohibitive for this kind of activity. We've made deliberate design choices to help prevent the spread of illegal or harmful content, including moderating user content before it can reach a large audience. Snapchat does not offer a feed of unvetted or unmoderated content where people have an opportunity to broadcast illegal or harmful content, including scams or fraudulent content. Content on Discover and Spotlight, which are the more public areas of our platform, is curated and moderated, respectively, before being recommended for distribution to a large audience, which helps prevent the spread of viral scams.

We have intentionally made it difficult for strangers to contact people that they don't know on Snapchat. Snapchatters' friends lists are only visible to themselves, and by default you cannot receive a message from someone who you haven't added as a friend, unless they are an existing phone book contact. These contact settings cannot be loosened.

These design features mean Snapchat is not an easy place for bad actors to market scams to large groups of users within user-generated content. We also have strong safeguards and systems in place that prevent advertisers attempting to market scams in Snapchat ads: both in terms of proactive automated tech and tools, as well as having an effective Ad Review team, ensuring ads are reviewed before they are published to promote compliance with our Advertising Policies. We also gain insights into fraud trends by leveraging Snapchatter feedback to understand if a user was scammed (such as through non-delivery of goods or misrepresentation of a product), and participation in a platform-agnostic scam ad alert program.

We make blocking and reporting tools available in-app so Snapchatters can quickly report concerning content or accounts. Our Trust and Safety teams review these reports, take quick

action against accounts that violate our policies, and permanently remove abusive accounts if appropriate. We not only remove scam content that is reported to us but we remove users from the platform if their activity shows that they are dedicated to scams and/or fraud.

Snap is committed to providing transparency and publishes bi-annual <u>transparency reports</u> detailing the number of reports of, and responses to, spam on Snapchat. Our most recent report shows that the median turnaround time for reports of spam (which encompasses both reports of spam and fraud or scams) is approximately 2 minutes.

Further, in the context of the Government's proposed mandatory industry code framework for scams, we are a founding signatory to the <u>Australian Online Scams Code (AOSC)</u>, developed by the Digital Industry Group Inc. (DIGI) and released on 26 July 2024, which establishes a blueprint for combatting scams in the digital industry.

#### Questions from Ms Zoe McKenzie MP (sent on 10 July 2024)

3) What is your platform's definition of overuse?

Snap does not have a definition of "overuse".

- 4) How many adult users were reported by Australian end-users aged under 18?
- a) What was the average response time?

Snap does not collect information on the number of adult users reported by Australian end-users aged under 18.

Snap is committed to providing transparency and publishes bi-annual <u>transparency reports</u> detailing the number of reports of, and responses to, a range of content types on Snapchat. As a part of our transparency reporting, we have a <u>dedicated page for Australia</u>. Our most recent report shows that the median turnaround time for all categories of content types is less than an hour.

- 5) How many CSAM reports made by Australian end-users?
- a) What was the average response time?

As stated in our last transparency report covering the period 1 July to 31 December 2023, there were 17,740 reports of child sexual content in Australia during that period. Our most recent report shows that the median turnaround time for reports of this content globally is less than an hour.

- 6) How many scam posts were reported on the platform by Australian end-users?
- a) What was the post's average engagement rate?
- b) What was your response, including average response time?

As stated in our last transparency report covering the period 1 July to 31 December 2023, there were 16,497 reports of spam content (which encompasses both reports of spam and fraud or scams) in Australia. Our most recent report shows that the median turnaround time for reports of spam (which encompasses both reports of spam and fraud or scams) is approximately 2 minutes.

- 7) What human resources do you have dedicated to content moderation in Australia?
- a) What is the number of content moderators located within Australia?
- b) Where are these resources based?
- c) What is the number dedicated to Australian content or addressing reports from Australian end-users?
- d) What are their qualifications and training requirements?
- e) What support is available to them to ensure they can do their job?

- f) What is their volume of work and KPIs (for example, how much content per hour are they required to review)
- g) What languages do they review posts in?

Our dedicated Trust and Safety team works 24/7 to review reports and take appropriate action. This workforce includes a team of in-house professionals and specialists, as well as extensive vendor capacity, with competency in 21 languages globally.

As mentioned above, Snap is committed to providing transparency and publishes bi-annual transparency reports detailing the number of reports of, and responses to, a range of content types on Snapchat. As a part of our transparency reporting, we have a dedicated page for Australia. Our most recent report shows that the median turnaround time for all categories of content types is less than an hour.

As of July 2024, around 20% of our Sydney office work in our Trust & Safety and Law Enforcement Operations teams. We utilise our global Trust & Safety team, not just our Sydney-based team members, to respond to reports from our Australian users.

Trust and Safety team members go through extensive training, which is continually updated and refreshed. The team is supported by detailed policy guidance and by our team of cross-functional subject matter experts.

Ensuring the wellbeing of our Trust & Safety team is a key area of focus at Snap. Wellness - defined at Snap as the active pursuit of activities, choices and lifestyles that lead to a state of holistic health - is a core pillar of the Trust & Safety Team and is built into our processes, tools, leadership approach, and team culture. As a company, we value, support, and care for the people that keep our platform safe. We provide all team members with a wellness overview and offer them the opportunity to establish their own personalised wellness and resilience plans. We also host regular wellness events to promote connection and highlight wellness practices.

Recognising that team members review challenging content on a regular basis, we make it a priority to celebrate and acknowledge the impacts from the team. We keep the human element at the forefront of our decisions and recognise that each person's wellness must come first so that they are able to safely and effectively support Snap communities.