

THE  
PURSUIT

2022 REPORT



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### Letter from Leadership

Since day one, dōTERRA has been committed to changing the world—one drop, one person, one community at a time. As we’ve grown these past 15 years, so has our potential to be an impactful force for good. To keep our responsibility to our customers, partners, and the world at the forefront of everything we do, we adopted this motto: pursue what’s pure.

Those words aren’t just a tagline. They’re our North Star, guiding us in every aspect of our business practices. We’ve always been committed to doing things differently in the pursuit of worldwide positive impact, but over the years we’ve had to recalibrate and reform. This journey to be a responsible force for good is ongoing, and 2022 is still just the beginning for us. The dōTERRA® story is still being written as we seek greater visibility into the effect our company has on the people with whom we work, better understanding of what happens in our supply chains, and lasting hope for a more sustainable future.

Our pursuit of worldwide positive impact is a journey rather than a destination. One of the dōTERRA core values is to be pure. That means acting with integrity, doing what’s right instead of what’s easy, and never cutting corners. This pursuit has allowed us to address real needs in worldwide communities. Our goal is always to source the best essential oils and help the most people as we do, which requires commitment, hard work, innovation, and perseverance. Our essential oil sourcing efforts have supported jobs for 360,903 people in 2022, many in high-poverty areas.

We’re proud of the positive impact we’ve had, but we strive to never become complacent in our business practices. By focusing on culture, we build a community of forward-thinking individuals who look for ways to improve. As a leadership team, we try to carefully consider feedback and insights about how our business practices affect everyone, from our leaders and customers to our employees and sourcing communities. We’re certainly not perfect, but we’re committed to working to be better.

The *Pursuit* 2022 Report is a record of our progress, not a display of our perfection. We hope to have a more positive impact in the world than we did even yesterday. We invite you to join us as we pursue what’s pure and apply our unique position, reach, and capabilities to be a united, truly impactful force for good.



“

WHEN I WAS A BOY AND I WOULD SEE SCARY THINGS IN THE NEWS, MY MOTHER WOULD SAY TO ME, ‘LOOK FOR THE HELPERS. YOU WILL ALWAYS FIND PEOPLE WHO ARE HELPING.

Fred Rogers ”



# Standing *with* Ukraine

*In the early morning of February 24, 2022, citizens of Ukraine woke to realize their lives would never be the same. The first images from the invasion were shared via smartphones, and people worldwide watched as war unfolded—a war that continues today.*

The dōTERRA® Europe offices felt the war's immediate effects as countries bordering Ukraine sprang into action, coordinating donations and volunteers. By the end of the year, 17,831 civilian casualties were reported. Over 8,000,000 refugees have left Ukraine, and almost 6,000,000 people are displaced within the country. Nearly 18,000,000 Ukrainians—almost half the population need or have needed humanitarian assistance.

## A Collective Responsibility

Crises like this war accentuate our collective dependence on one another. They motivate us to step up and ask, "What can I do to help?" Hundreds of thousands of people globally have done what they can to assist, donating funds, organizing volunteer efforts, or handing out emergency kits to refugees at the border.

At dōTERRA, we believe in the power of people helping people. Small acts of kindness matter. If we truly want to help, we must recognize, while no single act is enough to address this conflict, every act is necessary. We each contribute to the combined effort to support a people in their darkest hours.

## Hands Joined around the World

dōTERRA is grateful so many Wellness Advocates, customers, and employees immediately mobilized to support the people of Ukraine, and we're proud to have bolstered their efforts.

While the dōTERRA Healing Hands Foundation® collected donations from Wellness Advocates who wanted to help but were too far away to aid directly, dōTERRA Europe quickly connected the right people and organizations and began deploying funds. Because of their proximity to the conflict, dōTERRA Europe had access to organizations who could distribute aid. Meanwhile, customers and their friends and families in the US also provided relief to refugees.



House of Hope Volunteers ▲▼



In some cases, the dōTERRA family crossed borders themselves to provide aid personally. Wellness Advocate Tina Fusser worked with a nonprofit to deliver 200 72-Hour Emergency Relief Hygiene Kits to the Ukrainian border.

Wellness Advocate Silvia Nutu also connected with a nonprofit to provide emergency resources and shelter to Ukrainian refugees fleeing to Romania. Along with 200 hand-delivered emergency relief kits, Silvia also raised \$33,000 through the dōTERRA Healing Hands Foundation Match Program to fund medical care, food, clothing, and transportation.

Wellness Advocate and ministry leader Janis Cope delivered 200 emergency relief kits to refugees in Romania. What would've taken months took only days because of personal and professional connections. "I can't begin to tell you the impact the emergency relief kits have had for Ukrainian refugees," shares Janis. "As they depart from the mission house, they're so grateful."

Wellness Advocates Patrick and Allyse Sedivy established a refugee center at their nonprofit campus in Prague, providing food, water, stuffed animals, tents, cots, bedding, and generators. They've also distributed food, water, and stuffed animals to a refugee center in Moldova, impacting over 800 people.

Esseterre employees rallied to assemble and donate 675 emergency relief kits to Ukrainian refugees in Bulgaria.

Between the dōTERRA Healing Hands Foundation and dōTERRA Europe, over \$1,000,000 has been raised to aid Ukrainian refugees. Thanks to these funds and the efforts of many dōTERRA family members, well over 100,000 refugees in 11 countries have received necessary aid.



# dōTERRA HEALING HANDS HAS PROVIDED GRANTS TO MORE THAN 51 UKRAINE RELIEF PROJECTS IN 11 COUNTRIES:

BULGARIA | GERMANY | HUNGARY | ISRAEL | JAPAN | MOLDOVA |  
POLAND | ROMANIA | SLOVAKIA | UKRAINE | UNITED STATES

## Looking to the Future

It's been over a year since this crisis began. Much of the media attention—so frantic in the early months—has shifted. But the crisis continues for millions of Ukrainians. People are still searching for help amid the rubble that was once their homes and communities.

As dōTERRA Europe continues supporting Ukrainian refugees, the global dōTERRA family provides a way for people worldwide to do what they can and give what they're able. From person to person, the dōTERRA family spans the globe with its positive impact.

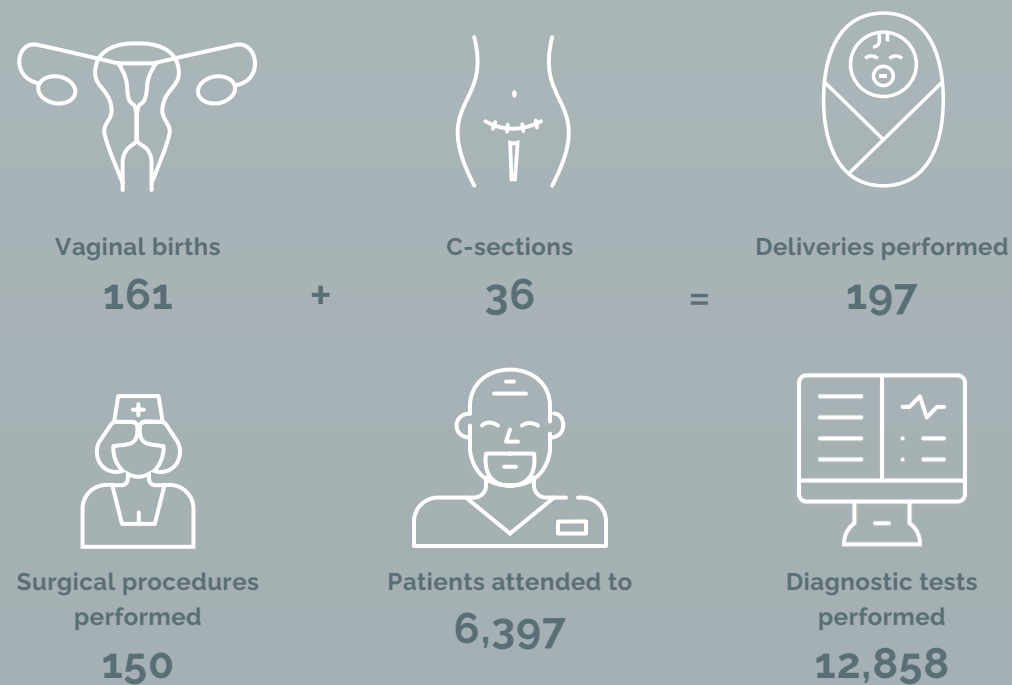
We stand in solidarity with Ukrainians who've been affected by the war. We're grateful to the thousands of people who joined dōTERRA to support those in critical need.

► [Love this story? Watch the video](#)

# Sanaag Specialty Hospital 2022 Update

*The Sanaag Specialty Hospital has now been operational for over a year, saving lives in Somaliland.*

**TOTAL PEOPLE SERVED 19,602**



Welcome Ayan's healthy baby boy—the first baby delivered at the Sanaag Specialty Hospital.

The Sanaag Specialty Hospital has now been saving lives in Somaliland for over a year. Mother of three Ayan Abdullahi Jamah has lost four pregnancies to intrauterine fetal deaths. When she began experiencing complications during her eighth pregnancy, Ayan visited the hospital with support from her friends and family. Upon arrival, Ayan met with Dr. Mona Jamal, a family physician, who diagnosed her with preeclampsia at 34 weeks.

The Sanaag medical team stabilized her blood pressure and prepared the baby for early delivery. After consulting the staff and her husband, Ayan agreed to an elective C-section, which was performed just one week after the hospital officially opened.

Ayan was able to welcome a healthy baby boy, Mascuud Abdirashid Hassan, into the world. Mascuud was the first baby delivered at the Sanaag Specialty Hospital. In spring 2022, Ayan and Mascuud helped celebrate the one-year anniversary of the hospital's opening.



*Ayan and her son, Mascuud, receiving gifts from Dr. Jamal at the Sanaag Specialty Hospital one year anniversary celebration*



## dōTERRA Healing Hands Foundation®

### 2030 Goals



Improve the lives of more than **1,000,000** people via the Match Program



Donate **\$3,000,000** annually to the Hope action plan

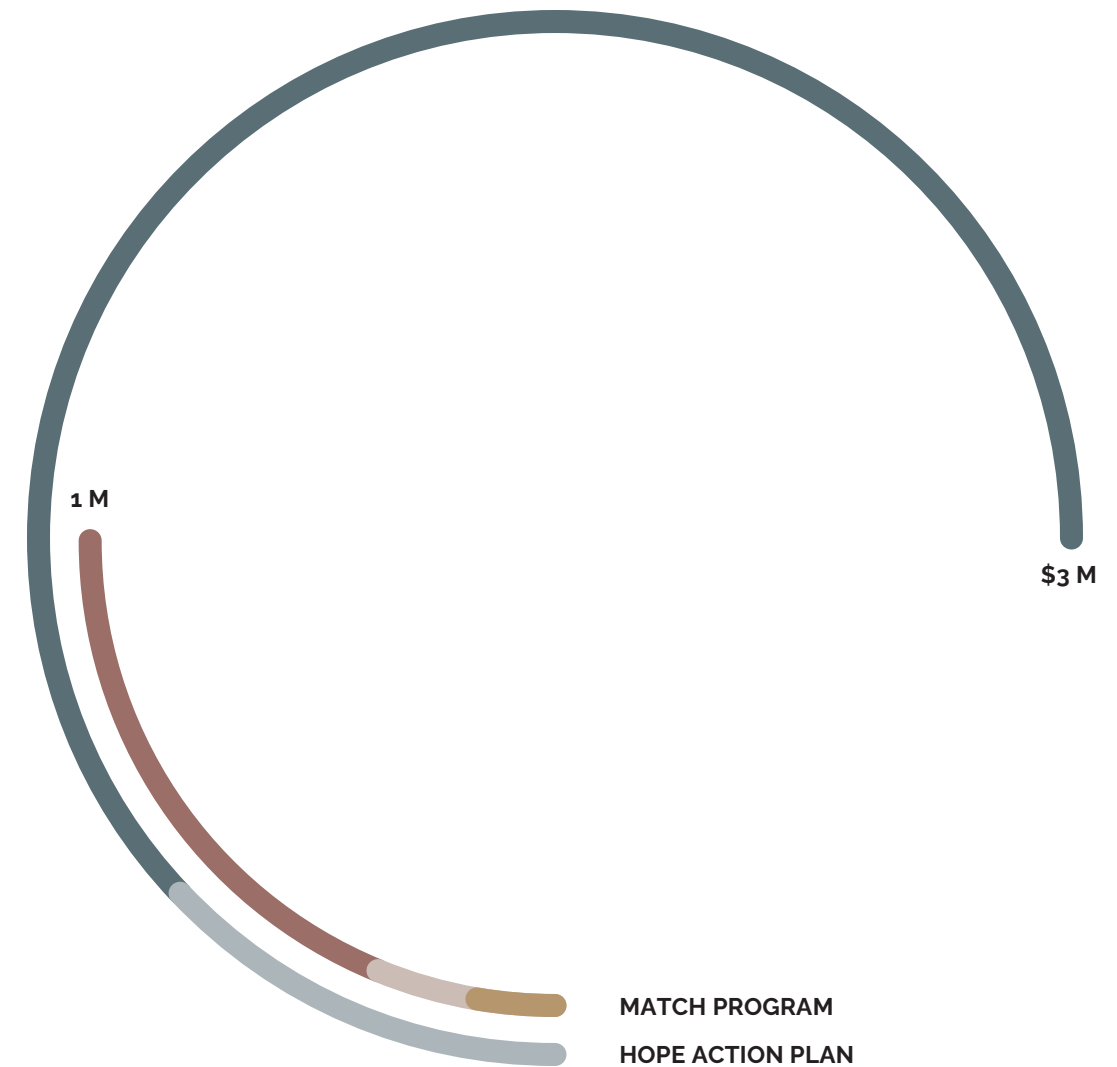
### 2022 Progress



**248,830** lives improved via the Match Program (105,399 of them in 2022)



**\$544,151** donated to the Hope action plan



**HOPE ACTION PLAN**  
Donate **\$3,000,000** annually to the Hope action plan  
**\$544,151** donated to the Hope action plan through 2022

**MATCH PROGRAM**  
Improve the lives of **1 million** people via the Match Program  
**248,830** lives improved through the Match Program  
**105,399** of them in 2022





“  
**THE MOST IMPORTANT THINGS IN LIFE ARE  
THE CONNECTIONS YOU MAKE WITH OTHERS.**  
Tom Ford ”



# A Beneficial Kind of Business

*dōTERRA® products aren't on store shelves because the business model is about so much more than just selling something. Joining dōTERRA means becoming part of a family of like-minded individuals who encourage and inspire, paving the way to fulfilling your potential.*

Your dōTERRA network can cultivate lasting friendships, community engagement, and support during uncertain times. Such was the case in September 2022, when Hurricane Ian struck Fort Myers, Florida. The storm brought over 20 inches of heavy rainfall and 150 mph winds, wreaking destruction on homes and businesses and trapping thousands.

## Hurricane Ian Response Effort

dōTERRA Wellness Advocate and Naples resident Kari Davis believes Hurricane Ian is the worst storm she's ever seen. As emergency rescue agencies jumped into action, everyday citizens like Kari looked for ways to help. She mobilized her dōTERRA network to distribute 72-Hour Emergency Relief Hygiene Kits to neighbors who were affected by the storm and coordinated with local relief hubs—like schools and clinics—to ensure they were reaching people in need.

As they served those around them, Kari and her team learned Lee Memorial Hospital sustained significant damage during the hurricane. Lee Memorial is a safety net hospital that provides specialized care, regardless of patients' ability to pay. Working with the dōTERRA Healing Hands Foundation® Match Program, Kari and her team raised \$18,000 to support the hospital as it worked to resume full function.

"It's a huge benefit for people to know about the generosity of dōTERRA," Kari says. "Building a dōTERRA business can be difficult, but it's much easier when people see how committed dōTERRA is to philanthropy."

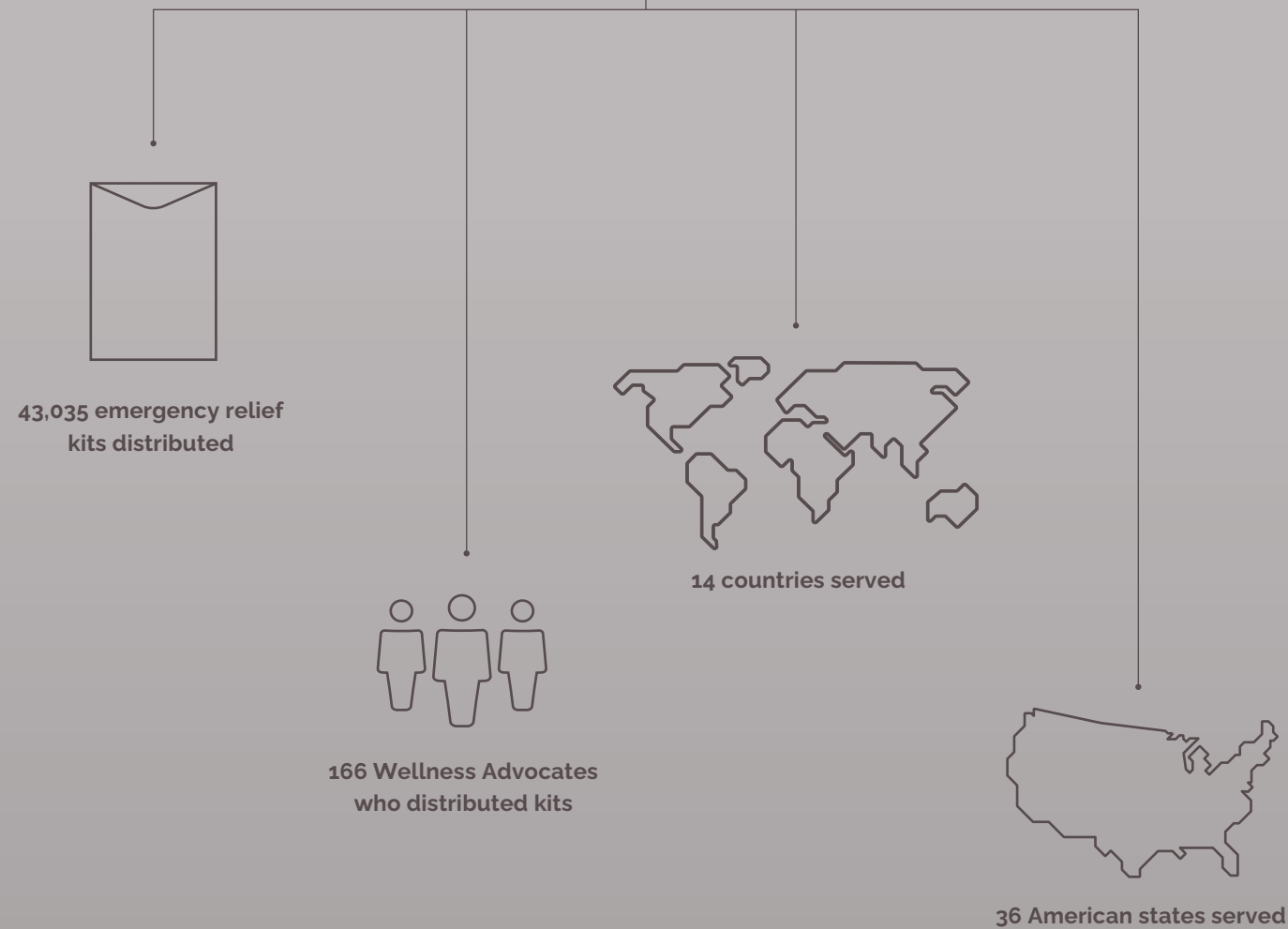
“IT'S A HUGE BENEFIT FOR PEOPLE TO KNOW ABOUT THE GENEROSITY OF dōTERRA. BUILDING A dōTERRA BUSINESS CAN BE DIFFICULT, BUT IT'S MUCH EASIER WHEN PEOPLE SEE HOW COMMITTED dōTERRA IS TO PHILANTHROPY.”

Kari Davis  
dōTERRA Wellness Advocate



Diana Zubillaga, dōTERRA Wellness Advocate

## Emergency Relief in 2022



## Prioritizing Personal Connection

With over 10,000,000 Wellness Advocates and customers worldwide, you're part of something bigger than yourself as a member of the dōTERRA family. dōTERRA empowers people to build meaningful lives and connections with pure products, pure business practices, and pure love of humanity.

These connections enabled Jennifer Pansa, a dōTERRA Wellness Advocate from Chicago, to provide relief when Hurricane Ian struck. Jennifer organized kit distribution efforts in Florida with her team, shipping kits to those on the ground. Together, they distributed emergency relief kits to 600 people affected by Hurricane Ian, positively impacting residents Jennifer wouldn't have otherwise met.

The efforts of Kari, Jennifer, and their teams during Hurricane Ian are just

two examples of how the connections formed by the unique dōTERRA business model empower individuals to make real differences in communities all over the world. Because the network business structure prioritizes building personal connections, it offers something direct-to-consumer companies don't: a wide network of individuals who can mobilize quickly in times of need, encouraging and empowering each other to do good with their own hands.

The dōTERRA network isn't just a business model—it's a community. As a member of the dōTERRA family, you can rely on someone to buoy you up with heartfelt support as you do the same. Being part of dōTERRA is about more than essential oils. It's about being part of a cause, a family whose mission is to change the world one drop, one person, one community at a time.

► [Love this story? Watch the video](#)



Jennifer Pansa, dōTERRA Wellness Advocate



THERE ARE SO MANY DIFFERENT OPPORTUNITIES WITHIN STEM—NOT JUST SCIENCE—FOR WOMEN NOWADAYS. YOU CAN GO ANYWHERE. YOU CAN BE ANYTHING THAT YOU WANT TO BE.

Laura Nichol   
*dōTERRA Senior Chemist*





# Advancing *Essential Oil* Science

*Expert dōTERRA® scientists and research partners continually revolutionize the health and wellness industry.*

Science is a driving force at dōTERRA. We host roughly 60 scientists, who actively advance essential oil science, build a robust community, and further establish dōTERRA as a center of scientific excellence and preeminent expert in the industry.



### Nicole Stevens

Nicole Stevens was inspired to excel academically by a high school teacher's strong example. Nicole's hard work paid off when a high school science project caught the eye of a college professor. He offered her a job, and she worked for him as a senior then throughout college, where Nicole earned a master's degree in botany and a PhD in biochemistry and molecular biology. In her 20 years of essential oil research, Nicole has realized the need for consistently pure products, which led her to dōTERRA. "I love that dōTERRA didn't just accept the problems and impurities of the essential oil industry just because 'that's how things are done.'"



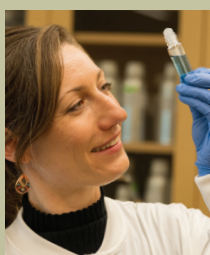
### Noura Ahmed

Noura Ahmed joined her high school's science program and later earned a master's degree in phytochemistry. She moved from Egypt to the US to continue her studies, earning a PhD in biotechnology and completing post-doctoral work at Vanderbilt University. Noura joined dōTERRA two years ago. "dōTERRA has a great reputation, and I have many friends here," she explains. "Dr. Prabodh Satyal, our team leader, is one of my best friends. He said dōTERRA is a great place, so I joined."



### Cécile Bascoul

Growing up in France, Cécile Bascoul had to choose an educational direction as a teenager: science or the arts. She picked the former. Cécile earned her undergraduate degree in biology, master's in biotechnology, and PhD in biosciences. "Nine years of school sounds like a lot, but if you enjoy what you do, it really isn't," she says. Cécile completed three years of post-doctoral work before managing preclinical and clinical trials in the pharmaceutical, cosmetic, and nutraceutical industries. When she joined dōTERRA three years ago, she fit right in. "I always liked fragrances and flowers, so I was interested in combining science, fragrances, and flowers through essential oils."



### Brittany Graf

When Brittany Graf's seventh-grade science teacher taught a lesson on bacteria, Brittany was hooked. She was completely fascinated by the topic and her teacher's obvious enthusiasm. Brittany majored in both biology and women's studies, earning a PhD in plant natural products. "I've always been interested in nature. I learned about health and climate change around when I learned about bacteria," she recalls. "I wanted to do something to benefit both the environment and human health. Botanical extracts and essential oils are the perfect intersection of those two things."

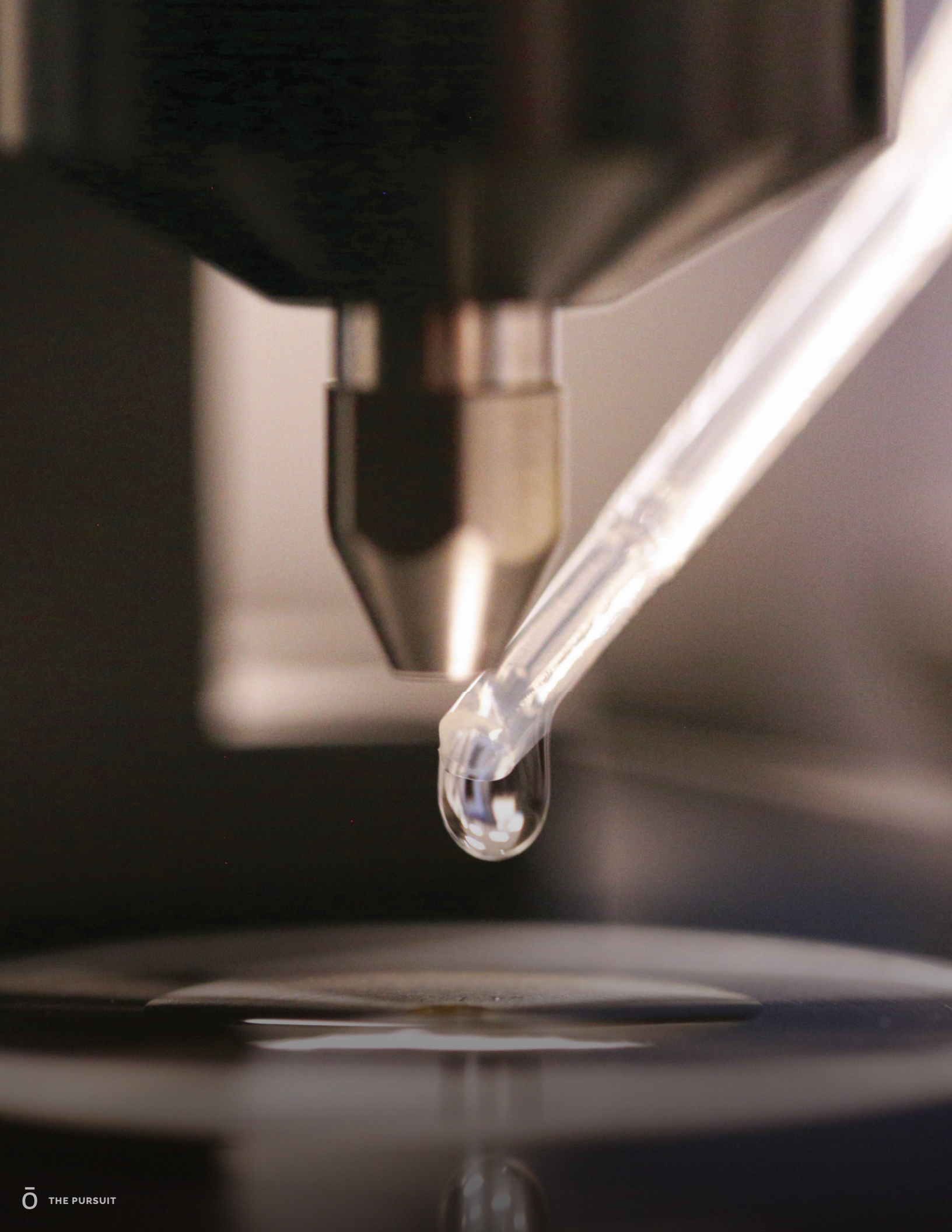


### Diana Saavedra Nova

Diana Saavedra Nova dreamed of becoming a doctor from her early days in Colombia. She studied pharmacy technology and fell in love with chemistry. Diana moved to the US to learn English and met chemistry professors who encouraged her to pursue a PhD. However, an academic advisor warned Diana it may be difficult for her to succeed as a Latina woman. "Looking back, I had two options: I could believe him or say, 'I'll prove you wrong.'" Diana chose to prove him wrong, earning her PhD in organic chemistry and writing her dissertation on natural product synthesis. "That's why I came to dōTERRA. I wanted to know more about the industry and go back to researching natural products."

“ THE GREATEST CHALLENGE  
FACING THIS INDUSTRY MAY  
ALSO BE ITS BEST ASPECT:  
THERE'S STILL LOTS TO DO.

Kathryn Allred  
dōTERRA Clinical Research Team



## Creating a Center of Excellence

Nicole, Noura, Cécile, Brittany, and Diana are five of the many brilliant scientific minds at dōTERRA. None of our scientists have lost their early excitement for the natural world. They love what they do and are extremely good at it.

Nicole leads the Clinical Research team, testing dōTERRA® products. Brittany's team creates essential oil blends. Cécile is the director of product safety. Her focus is on toxicology and natural complex ingredients. Diana works on Cécile's team, helping evaluate dōTERRA product safety. Noura explores the world to research plants and conducts purity tests on products.

"We believe in collaborating with everyone, internally and externally," says Noura. "We rise by lifting others." The near-perfect choreography between dōTERRA scientists advances integral research and leads to better products.

It's no accident that millions of people worldwide depend on dōTERRA products, from the MetaPWR® system to dōTERRA On Guard® products. Our scientists use their expertise and passion to create life-changing products, and they're not slowing down.

"Many brilliant young scientists are coming to dōTERRA and identifying new ways of doing things," says Brittany. "They're telling a robust scientific story through clinical research and community. It's empowering."

## Building the Future

dōTERRA is leading the way in essential oil science. "Our contributions advance our understanding of essential oils and their biological activities," Noura explains. She and her team—partnered with over 70 scientists worldwide—wrote 25 papers last year and are working on 30 more projects. "We have an amazing network of experts. Our position in the industry is unique."

Brittany and her team are experimenting with crop cultivars, geographical locations, and harvest and distillation techniques to optimize essential oil yield and quality. "Our Cō-Impact Sourcing® network allows us to dive into the science, which many companies can't do," Brittany says. "Gaining a complete picture of every essential oil, from seed to bottle, is immensely fulfilling."

Cécile and Diana are excited about the contributions their team is making while delivering safe, high-quality products. "Collaborating with other dōTERRA scientists and essential oil experts is a major highlight of my job," says Cécile.

Nicole and her research team made huge strides with the MetaPWR system launch in 2022, conducting two double-blind, placebo-controlled, randomized clinical trials that guided the development of the MetaPWR system and laid a foundation for future dōTERRA clinical trials. Now they're excited to delve into the molecular mechanisms of essential oils and how they relate to gene and protein expression going forward. "I look back on the huge leaps in product innovation and science we've made in 15 years, and I think we're just getting started!"

► [Love this story? Watch the video](#)



“DEMAND QUALITY, NOT JUST  
IN THE PRODUCTS YOU BUY,  
BUT IN THE LIFE OF THE  
PERSON WHO MADE IT.”

Orsola de Castro “





# *The Impact of Partnership*

*Purposeful collaboration contributes to improved economic welfare for small-scale farmers in Kenya.*

Years ago, dōTERRA made a critical decision to create the Global Botanical Network. While sourcing from a network of trusted suppliers is significantly more complex than mass-producing essential oils on our own land, we greatly value the expert knowledge of local farmers, distillers, harvesters, and community leaders worldwide. By recruiting their expertise, we can more responsibly support hundreds of thousands of global jobs and positively impact millions of individuals and families.

*Tea tree farmer, Kenya*

Key partnerships and valuable team members like Jacob Katuva, dōTERRA® social impact manager for sub-Saharan Africa, have been integral to our pursuit. Jacob was born and raised in Kenya, received a PhD from Oxford University, and returned to Kenya to support his community.

While working on his PhD, Jacob and his colleagues designed and conducted a study to measure economic welfare and multidimensional poverty in Kwale County, Kenya—home to around 300,000 people, with 90% living in rural areas and 70% below the global poverty line at \$1.25 earned a day. Jacob's team explored

the "transition probabilities of either a household remaining poor or transitioning to a non-poor state" with data from 3,500 households gathered over three years.<sup>1</sup>

While studying at Oxford, Jacob met Taylor MacKay, Cō-Impact Sourcing® lead advisor at dōTERRA, who was completing MBA graduate studies. In 2017—a year after Jacob finished his original Kwale County study—Jacob and Taylor kickstarted an identical, nonacademic study focused specifically on Lunga Lunga, Kwale County, which is a Cō-Impact Sourcing location. dōTERRA supported this second study to determine how we can best empower our sourcing community there.



Jacob Katuva, dōTERRA Social Impact Manager



Tea tree farmers, Kenya

“  
dōTERRA HELPS MAKE THE  
WORLD A BETTER PLACE BY  
INTEGRATING SMALL-SCALE  
FARMERS, HARVESTERS,  
AND DISTILLERS DIRECTLY  
INTO ITS SUPPLY CHAIN.

Jacob Katuva”

dōTERRA Social Impact Manager

<sup>1</sup>To learn more, visit <https://doi.org/10.3390/su12176943> and read the published study and results.



They found about 81% of initially non-poor households remained non-poor in the next period, but only 45% of initially poor households remained poor. While non-poor households had a 19% chance of becoming poor the next year, poor households had a much higher chance at becoming non-poor.<sup>2</sup>

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Both studies included independent farmers who sold farmed raw materials to dōTERRA sourcing partners. Having studied economic welfare in Kwale County for almost a decade, Jacob knows firsthand how significant the Cō-Impact Sourcing model has been as one of many helpful contributors to economic development in this area over the last eight years.

Jacob says, “Without Cō-Impact Sourcing, economic progress in Kwale County would

be incredibly slow. . . . The presence of dōTERRA in Lunga Lunga has helped attract additional external funding for community projects, including from the World Bank and European Union.” This funding has increased the chances of poor households in the region becoming non-poor.

In 2019, Jacob joined the Cō-Impact Sourcing team full-time. His expertise, personal experiences, and passion have been invaluable to developing and expanding Cō-Impact Sourcing initiatives in Lunga Lunga, as well as other Kenyan sourcing regions and African countries. Jacob Katuva and others like him are incredibly important to the dōTERRA mission.

Jacob’s story is one example of the relationships dōTERRA cultivates with farmers, harvesters, distillers, and sourcing partners worldwide. We care about the people who produce our essential oils as much as we care about our products. When we partner with local experts, we’re better equipped to understand the unique needs of each community. These partnerships support demand-driven self-reliance and break poverty cycles through compassionate consideration of local cultures, as well as individual and community goals.

► [Love this story? Watch the video](#)

dōTERRA SOURCES **263** ESSENTIAL OILS  
AND OTHER INGREDIENTS FROM **47** COUNTRIES.

<sup>2</sup>To learn more, visit <https://doi.org/10.3390/su12176943> and read the published study and results.



## Francis' Story

Francis Nyachoka joined the Lunga Lunga small-scale farming program in 2017 and committed a portion of his land to cultivating tea tree, helping him earn three times what he did farming corn. He decided to expand and plant more tea tree, now tending over 7,000 trees on his farm and making eight times what he did just six years ago!

Partnering with dōTERRA to farm tea tree has helped Francis afford a new house and tractor to help him farm. He's now working to increase his productivity with a solar irrigation pump.

Francis has been able to pay for one of his grandsons to earn a teaching degree through Nairobi University and another to study clinical medicine through Kenya Medical Training College.



## Cō-Impact Sourcing®

### 2030 Goals | 10 million lives improved in our sourcing areas



**1.2 million**  
people empowered  
with sourcing jobs



**3 million**  
lives supported by  
sourcing jobs



**5.8 million**  
lives improved through  
social impact projects

### 2022 Progress | 1,470,638 lives improved in our sourcing areas



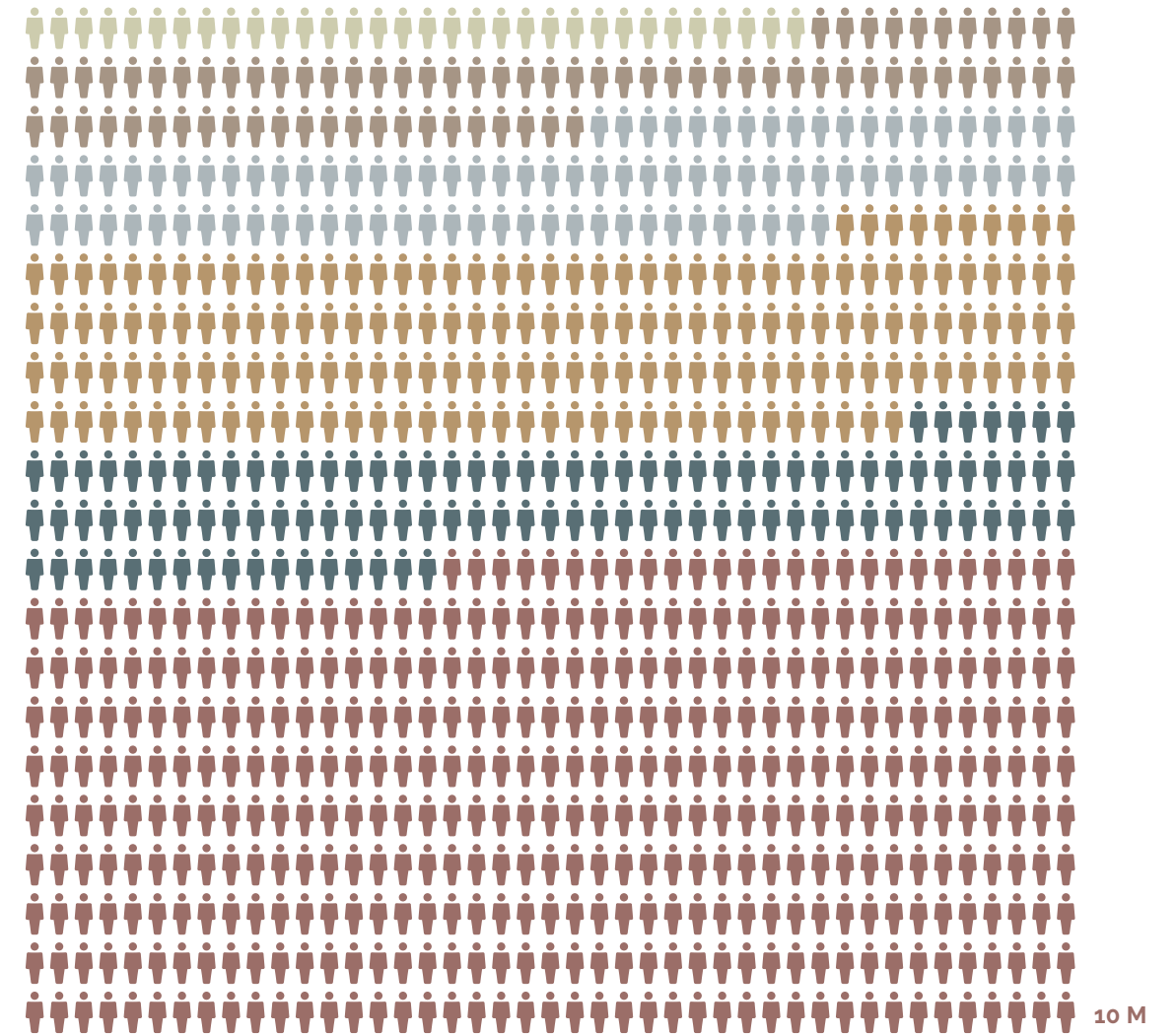
**360,903**  
people empowered  
with sourcing jobs



**1,057,043**  
lives supported by  
sourcing jobs



**1,220,163**  
lives improved through  
social impact projects  
*(52,692 of them in 2022)*



10 M

### 2030 Goals

**1.2 million people**  
empowered with  
sourcing jobs

**3 million lives**  
supported by  
sourcing jobs

**5.8 million lives**  
improved through  
social impact projects

### 2022 Progress

**360,903 people**  
empowered with  
sourcing jobs in 2022

**1,057,043 lives**  
supported by sourcing  
jobs in 2022

**1,220,163 lives**  
improved through  
social impact projects  
*(52,692 of them in 2022)*

“THE EARTH WILL NOT CONTINUE TO OFFER ITS HARVEST, EXCEPT WITH FAITHFUL STEWARDSHIP. WE CANNOT SAY WE LOVE THE LAND AND THEN TAKE STEPS TO DESTROY IT FOR USE BY FUTURE GENERATIONS.”

Pope John Paul II



# Sustainable Sourcing *in* Gran Chaco

*All life on our planet is sustained by the water in the oceans and the plants in the ground. We can only call the earth home because it provides for us: air that fills our lungs, sunlight that grows nutrients from soil, and water that vitalizes life-sustaining ecosystems.*





Taking care of Mother Earth so she can continue to take care of us is no one person’s responsibility—it’s everyone’s responsibility. dōTERRA recognizes our business practices can have positive or negative impact on the environment, so where possible we try to implement processes to protect, preserve, and renew. Part of the dōTERRA purpose statement is, “We intentionally source the gifts of the earth.” This means we always strive to be better than we were yesterday, trying our best to preserve and protect.

## The Paraguayan Chaco

Between the Pilcomayo and Paraguay Rivers, the Paraguayan Chaco claims over 61,000,000 acres of semiarid land in the Gran Chaco. This uninhabitable forest’s soil and climate are incredibly unique. In fact, it’s home to several native plants that can’t grow anywhere else.

Among the native plants is *Bulnesia sarmientoi*—the magnificent guaiacwood tree. Wood from these tall, knotty trees is so dense it sinks in water. Because of high oil content and initial oxidation, the wood turns a deep, rich blue when cut. The oil extracted from the wood continues changing, turning semisolid at room temperature.

## Resources at Risk

Clearing trees to make space for money-generating ventures like cattle grazing or soybean farming are quite common in the Chaco. This land conversion is causing rapid deforestation and putting native species like guaiacwood in danger.

Revered for its smoky, grounding aroma yet subtle sweetness, guaiacwood oil is commonly used in the fragrance and perfume industries. The oil is generally collected when the trees are cut down during land conversion, but this area will likely remain at risk without careful forest management. dōTERRA and our sourcing partner carefully considered these factors and more while developing a sourcing plan for Guaiacwood essential oil.



# SUSTAINABLE SOURCING FROM WELL-MANAGED FORESTS IS HELPING PRESERVE AND REGENERATE THE CHACO.



## Sustaining the Earth That Sustains Us

At dōTERRA we prioritize accountability for sourcing areas for which we are stewards. We carefully chose our on-the-ground sourcing partners for Guaiacwood essential oil, working with those who responsibly and thoughtfully care for this precious land. Our partners have received the highest certification level from the Union for Ethical BiTrade (UEBT), guaranteeing their sourcing and harvesting practices are sustainable.

Since 2018, our partners have worked diligently to develop an efficient, effective, and sustainable forest management plan for the Gran Chaco. By 2022, over 12,000 acres of the forest had been purchased. Only one to two mature trees per acre are harvested for Guaiacwood essential oil each year, allowing each plot to rest and regrow for nearly 20 years before being harvested again.

One of several positive outcomes from responsible forest management is young trees often absorb more carbon than old ones, which can contribute to a healthier atmosphere. Also, when our partner's harvesters cut down a guaiacwood tree, they're careful to leave a stump to maintain the established root system, allowing the tree to regrow faster. Careful coppicing is a valuable step in helping the Chaco remain vibrant, productive, and protected. Our sourcing partners hope to increase the acreage they own to 30,000 acres by 2025.

Sustainable sourcing from well-managed forests helps preserve and even regenerate these lands. By harvesting guaiacwood trees for essential oil, our sourcing partner also compensates the landowners more than they'd earn from any land conversion, motivating them to keep their forests intact and thriving. Sourcing the essential oil allows dōTERRA to exercise responsible stewardship in the Chaco and contribute to sustaining the earth that sustains us all.

► Love this story? [Watch the video](#)



## Sustainability

### 2030 Goals



Plant **1,000,000** trees at Kealakekua Mountain Reserve, Hawai'i

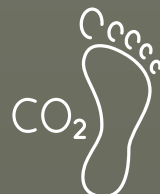


Reach carbon neutrality

### 2022 Progress



**344,726** trees planted at Kealakekua Mountain Reserve (107,000 of them in 2022)



dōTERRA is calculating our carbon footprint with a leading consulting group so we can work toward carbon neutrality by 2030.

## dōTERRA® Logistics Sustainability Spotlight

In 2022, dōTERRA finished rolling out paper-based shipping envelopes following our recent switch to paper packaging materials, which significantly reduced plastic consumption over the last year.

### By switching to paper shipping envelopes:



We reduced our carbon emissions by **359,391** pounds (the equivalent CO<sub>2</sub> release of 18,343 gallons of gasoline).



We eliminated **226,400,000** square feet of plastic from our shipments.

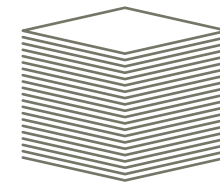


We saved enough electricity to power an average US household for **nine years** (339,270,000 BTUs).

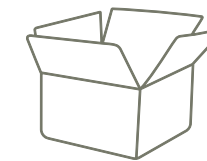


We saved enough water for **36,636** five-minute showers (284,691 gallons).

### Along with paper-based shipping, the dōTERRA® Logistics team continued finding ways to reduce and recycle shipping materials:



We saved **336,682** pounds of paper (the equivalent weight of about 168 full grown trees) by no longer using packing slips.



Our new box design decreased corrugate use by **35%** and saved **673,151** square feet of corrugate—enough to cover the entire dōTERRA campus and more!



Our Lindon Fulfillment Center recycled **555,220** pounds of cardboard.

*“We take great pride in doing our part to triple our impact by 2030. The conversion to eco-friendly mailers is a win toward accomplishing that goal. Not only is this conversion great for the planet, it’s also economical. Sustainability and fiscal well-being can be mutual pursuits.”—John Visser, dōTERRA Vice President of Global Logistics*



2022 dōTERRA Diamond Club winners participating in reforestation efforts at Kealakekua Mountain Reserve, Hawai'i.



# dōTERRA Supply Chain *Evaluation*

In 2020, the dōTERRA® Sourcing team set out to conduct an extensive evaluation of all our essential oil supply chains. We can't improve what we don't measure, and this evaluation is a powerful tool for ensuring we continue to source the best and help the most.

*Jasmine harvest, Egypt*

## Why the Scorecard Matters

As any company dependent on a supply chain grows, so does the need to understand what's happening at the sourcing level of product development. Sourcing is the heartbeat of our growing company, and without a steady finger on the pulse, important information can slip by with potentially extreme consequences. While the consistent, close contact we've had with many on-the-ground sourcing partners has given us comparatively good visibility into our essential oil supply chains, we recognize there's always room for improvement.

Our goal is to evaluate every oil supply chain at least twice by the year 2030 to ensure that our ethical standards are being met across all our supply chains. The first evaluation takes a baseline measurement, showing us where a supplier may need improvement. After working through the weak links of a supplier's evaluation score, the supply chain will be evaluated again. If the score still isn't high enough to earn a Cō-Impact Sourcing® (CIS) status, we'll determine whether we continue to work with the supplier to bring the score up.

Our scorecard levels—silver, gold, and diamond—are designed to help our supply chain partners meet Cō-Impact Sourcing standards and acknowledge those who go above and beyond. The silver level recognizes supply chains that are meeting Cō-Impact Sourcing

expectations. The gold and diamond levels recognize partners who have invested significant additional resources, time, and effort finetuning their supply chains to calibers of excellence. Examples of how partners have built their supply chains to standards of excellence include measuring and reducing greenhouse gases, using renewable energy sources, conducting socioeconomic surveys, and more. dōTERRA is proud to partner with supply chains that meet the CIS silver level and above.

The Cō-Impact Sourcing evaluation program is unique because dōTERRA isn't interested in just assigning a label to our supply chain partners. We're actively invested in helping them improve their supply chains when it comes to ethics and sustainability.

In 2022, dōTERRA awarded \$100,000 to improve 29 essential oil supply chains as part of the Cō-Impact Sourcing Challenge Fund—a collaborative, dōTERRA-owned program designed to help partners improve their supply chain evaluation scores. With the fund, dōTERRA supports sourcing partners who want to identify areas of improvement and develop a detailed plan for success. dōTERRA even funds up to 75% of the cost needed to implement success plans. We believe in investing in partners who share our ethos and priorities to source the best and help the most. After all, when everyone in the supply chain succeeds, we all win.

## How the Scorecard Works

We developed the Cō-Impact Sourcing evaluation scorecard to measure the impact of our sourcing practices across international supply chains. The dōTERRA Sourcing team and professional consultants analyzed existing certification programs—such as Organic to measure sustainability or Fair Trade to measure fair labor conditions—and added any needed indicators to address unique processes not covered by existing certifications.

The scorecard includes dozens of indicators to measure each supply chain

against a consistent standard of ethical and sustainable Cō-Impact Sourcing practices, categorized in three areas: process, people, and planet. There are also two types of indicators on the scorecard: mandatory and scored. Suppliers must reach 100% compliance across all mandatory indicators and at least 50% compliance across all scored indicators to be eligible for an official Cō-Impact Sourcing status. If suppliers reach 80% mandatory compliance during their baseline assessment, they're awarded a provisional Cō-Impact Sourcing status until reevaluation.



*Pink pepper distillation, Kenya*

## Supply Chain Evaluation at a Glance

Achieving a Cō-Impact Sourcing status means the supply chain is either meeting or exceeding industry standards of ethical and sustainable sourcing practices. dōTERRA supply partners must reach 100% compliance across all mandatory scorecard indicators to be eligible for an official Cō-Impact Sourcing (CIS) status.

- **CIS Silver:** The partner has achieved 100% mandatory compliance and 50% to 70% compliance of all applicable scored indicators.
- **CIS Gold:** The partner has achieved 100% mandatory compliance and 71% to 90% compliance of all applicable scored indicators.
- **CIS Diamond:** The partner has achieved 100% mandatory compliance and at least 91% compliance of all applicable scored indicators.

Here are some examples of Cō-Impact Sourcing scorecard indicators:



### Process

- > Do you keep accurate records of hours worked and payments given for all employees and temporary workers in your supply chain?
- > What percentage of your supply chain growers and harvesters document all agricultural inputs used to produce your biomass?



### People

- > Do men and women receive the same wages for the same work in your supply chain?
- > Have you completed a large-scale social impact project in your sourcing area?



### Planet

- > Do the harvesting processes of your supply chain follow the IUCN sustainability requirements?
- > What percent of energy used by your entire supply chain comes from renewable sources?



Lavender harvesting, Bulgaria



## Supply Chain Evaluation

### 2030 Goals



Evaluate all our essential oil supply chains twice (baseline and follow-up)



Achieve the following ratings by the second evaluation: **95%** Silver, **55%** Gold, and **35%** Diamond

### 2022 Progress



**76 supply chains** evaluated to date (approximately 33%), with 57 of those evaluations completed in 2022.

Two supply chains weren't yet eligible for a status at their baseline evaluation. There are 29 evaluations currently in progress.



#### Official status:

- 3 Silver
- 6 Gold
- 3 Diamond

#### Provisional status:

- 39 Silver
- 20 Gold
- 3 Diamond



## dōTERRA Healing Hands Foundation®

### Donation and Solicitation Disclosure

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**Maryland** A copy of the current financial statement of the dōTERRA Healing Hands Foundation is available by writing 389 S 1300 W, Pleasant Grove UT 84062, or by calling (801) 437-7918. Documents and information submitted under the Maryland Solicitations Act are also available, for the cost of postage and copies, from the Maryland Secretary of State, State House, Annapolis MD 21401, (410) 974-5534.

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