

dōTERRA 2019 Annual Business Builders Report

dōTERRA's Market Leadership



A 2019 essential oils market study found that dōTERRA leads the pack in terms of brand recognition, and the company's favorability has risen each of the last three years as other

brands have remained flat.

When compared to other essential oil companies, dōTERRA's products are at the top for effectiveness, scent and purity. In fact, ConsumersAdvocate.org conducted a blind test in 2019 to determine the purity of 33 essential oils from 11 companies. dōTERRA was one of three companies with 100% pure oils.

dōTERRA's Pursuit of Purity



dōTERRA is more than just an essential oils company, however. We empower people through an intense pursuit of what's pure in everything that we do, from how

we source our oils to how we engage with communities around the world.

We empower farmers and landowners to flourish in their own communities, supporting over 165,000 jobs that also benefitted nearly 540,000 lives in 2019.

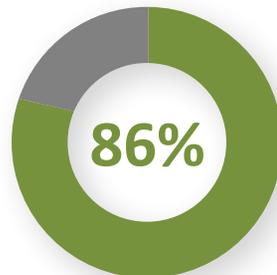
We empower entrepreneurs to reach financial goals by developing new education and training initiatives, including new materials related to appropriate income and lifestyle claims. Our training reached more than 3.5 million views in 100 countries.

dōTERRA's Customers



dōTERRA enjoys a high number of Wholesale Customer and Retail Customers who purchase products without the ability to have a downline or earn a commission.

Wholesale Customers receive (along with Wellness Advocates) the lowest possible prices and access to the company's Loyalty Rewards Program. Retail Customers pay the listed retail prices with no discount for Company products and do not participate in the Loyalty Rewards Program. Wholesale Customers and Retail Customers constitute a customer base, that has been built by Wellness Advocates as a large customer base.



86 percent of all new dōTERRA Members in the United States join as Wholesale Customers or Retail Customers. This provides an exceptionally stable customer base.

U.S. Wholesale Customers and Retail Customers account for approximately 86% percent of all new dōTERRA members. dōTERRA Members include Wellness Advocates and Wholesale Customers.

The vast majority of the 3.6 million U.S. members and over 6.5 million global members primarily focus on purchasing high quality essential oils and other products at the most reasonable price possible. dōTERRA supports this by offering a very generous Loyalty Rewards Program (LRP).

The rewards program has high participation rates and a near 100% redemption rate by loyal consumers. In 2019, dōTERRA awarded more than \$482 million (retail value) of products to dōTERRA members through its global loyalty program.

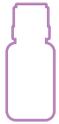


The dōTERRA compensation plan provides a robust earnings opportunity for Wellness Advocates. Wellness Advocates may sign up others as Retail Customers, Wholesale Customers, or Wellness Advocates. They earn commissions based on product sales within their organizations and to their customers. During 2019, the company paid commissions to approximately 263,000 Wellness Advocates within the United States. This is approximately 20% of all U.S.-based dōTERRA Members who made a purchase from dōTERRA.

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Wellness Advocates

*Entry-level Wellness Advocates



Many Wellness Advocates join dōTERRA to enjoy our Certified Pure Therapeutic Grade® oils at wholesale pricing, and do not earn commissions. Wellness Advocate earnings depend on many factors, including effort, interpersonal skills and leadership abilities. dōTERRA's entry rank represented 73% of all U.S. Wellness Advocates, and 31% earned a commission. Entry level distributors who received a commission averaged \$325 for the year.

Builders



dōTERRA considers those that have started to build a sales organization to be its Builders. Builders take in the Manager, Director, Executive, Elite, and Premier ranks of Wellness Advocates. Each Builder's work schedule is as varied as his or her lifestyle, but typically range from a few hours a month to several hours each week. Builders make up approximately 25% of all active Wellness Advocates. Those reaching the Manager and Director ranks represented approximately 38% and 26% of Builders and averaged \$667 and \$1,095 respectively in annual part-time income. Executive rank Wellness Advocates are 12% of Builders and earned an average of \$1,627 during the year. At the mid-level ranks of Elite and Premier (approximately 20% and 5% of Builders), average annual part-time earnings for these ranks range from \$4,223 to \$10,594 per year.

Wellness Advocate Leaders



dōTERRA considers those in the Silver rank and above to be Leaders. Leaders are diverse and include individuals who are committed Wellness Advocates. They manage customer organizations and support other dōTERRA Members. These ranks are the highest levels in the commission plan and are approximately one percent of all dōTERRA Wellness Advocates. Within these ranks, are those that conduct business on a full-time basis, as well as leaders who supplement their household incomes. The chart below shows the average earnings of these leadership ranks. More than 95% of those in leadership stay with dōTERRA year after year.

Rank	Average Annual Earnings	Percentage of Leaders
Silver	\$28,815	62%
Gold	\$61,114	22%
Platinum	\$120,391	6%
Diamond	\$205,311	7%
Blue Diamond	\$492,674	2%
Presidential Diamond	\$1,329,348	<1%