

dōTERRA 2018 Opportunity and Earnings Disclosure Summary



2018

Global Aromatherapy and Essential Oils Market Verified Market Leadership Award*

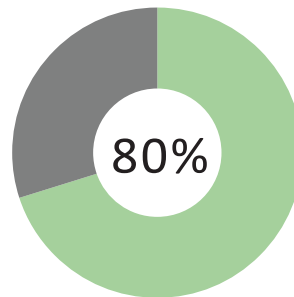
Independent market analyst, Verify Markets, determined that the Global Aromatherapy and Essential Oils Market is in a growth stage and that it will experience continued high growth for the next seven years. One of the three market drivers in creating awareness is direct selling. dōTERRA's Wellness Advocates, who are educated in CPTG Certified Pure Therapeutic Grade® oils, empower other individuals and families in their health and wellness decisions. dōTERRA was named as the Verified Markets' Leader, which is validated by the high percentage of dōTERRA product consumers, known as Wholesale Customers or Retail Customers. Wholesale Customers receive (along with Wellness Advocates), the lowest

Top Three Market Drivers



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 are unable to recruit others or participate in the company's compensation plan. Wholesale Customers and Retail Customers, in the United States, account for approximately 80% of all new dōTERRA members. dōTERRA Members include Wellness Advocates, Wholesale Customers, and millions of other customers who regularly purchase dōTERRA products.

The vast majority of the approximate three million United States' customers and more than 7 million global customers 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).



80% of all new dōTERRA members in the United States join as Wholesale Customers or Retail Customers. This provides an exceptionally stable customer base.

The rewards program has extremely high participation rates and a near 100% point redemption rate by loyal consumers. In 2018, dōTERRA awarded more than \$320 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 retail customers. During 2018, the company paid commissions to approximately 282 thousand Wellness Advocates within the United States. The majority of those Wellness Advocates earned enough to pay for a portion, if not all, of their own purchases of the Company's products.

Market in 2018:

78% of all U.S. adults 55+, 77% ages 35-54, and 69% ages 18 to 34 take dietary Supplements to improve their health
Up from 64% ten years ago

Market Leader:	dōTERRA
Market Size	\$5.1 Billion
Stage:	Growth
Market Growth:†	25.3%

dōTERRA in 2018:

dōTERRA experienced a 12% increase in unaided brand awareness—more than any other brand on the market.

dōTERRA ranked highest as the favorite essential oil brand

The large majority (72%) of U.S. consumers believe there is scientific validity to the use of essential oils for health and wellness practices. on the market.

* See, note 1, Estimated Compound Annual Growth rate of Global Aromatherapy and Essential Oil mark from 2017 to 2024.

† 2018 d TERRA Commissioned Survey.

‡ "CRN 2018 Annual Survey on Dietary Supplements," Counsel for Responsible Nutrition, 2018, www.crnusa.org/survey.

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Wellness Advocates

Entry-level Wellness Advocates

Many Wellness Advocates join dōTERRA to enjoy its 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 62% of all U.S. Wellness Advocates, and fifty-three percent earned a commission. Those entry level distributors, who received a commission, averaged \$380 for the year.

Part Time Entrepreneurs

dōTERRA considers those that have begun to build a sales organization to be its business entrepreneurs. These Builders take in the Manager, Director, Executive, Elite, and Premier ranks of Wellness Advocates. Each Builder's work schedule is as varied as her lifestyle, but typically range from a few hours a month to several hours each week. Builders make up approximately

23% of all active Wellness Advocates. Those reaching the Manager and Director ranks represented 36% and 26% of Builders, and averaged \$708 and \$1,156 respectively in annual part-time income. Executive rank Wellness Advocates are 13% of Builders, and earned an average of \$1,699 during the year. At the mid-level ranks of Elite and Premier (20% and 5% of Builders), average annual part-time earnings for these ranks range from \$4,281 to \$10,507 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 income. The below chart shows the average earnings of these leadership ranks. More than 95 percent of those in leadership stay with dōTERRA year after year.

Year-to-Year Leadership Growth.

Over the past three years, the number of dōTERRA Leaders has continued to increase, with 2018 being a record year for new rank advancements within the company. The chart below shows that from Silver to Presidential Diamond, the three-year average annual increase in the number of Wellness Advocates for each Leader rank. Over the past decade, the average annual earnings at each of these ranks stayed relatively consistent while the number of Wellness Advocates at each rank has continued to increase.

Rank	Average Annual Earnings	Percentage of Leaders	Leaders 3 Year Average Annual Increase
Silver	\$28,205	62%	14.9%
Gold	\$59,500	21%	15.6%
Platinum	\$115,512	7%	35.2%
Diamond	\$204,796	7%	21.3%
Blue Diamond	\$465,556	2%	23.0%
Presidential Diamond	\$1,295,857	<1%	51.4%

dōTERRA is the world-wide leader in the Aromatherapy and Essential Oil market, and its business opportunities are exciting and robust. The vast majority of dōTERRA Members focus on the use of dōTERRA's products to benefit their family and friends. Wellness Advocates enjoy a very high percentage (80%) of customers to whom they sell their products. dōTERRA's growing and diverse business opportunity offers a way to earn varying levels of part-time income, for many, significant supplemental income, and in the highest Leadership ranks the annual income is significant.