

# YOUNG LIVING INCOME DISCLOSURE STATEMENT

INCOME STATISTICS FOR JANUARY–DECEMBER 2017

## WHY YOUNG LIVING?

Young Living has been pioneering the essential oil movement for over two decades, with more than 5.6 million people around the globe joining us in our mission to bring pure essential oils to every home in the world. Our commitment to transforming lives guides everything we do; it is the reason we are the recognized leader in essential oils. Whether our members join our global community to find pure products they can trust, a greater sense of purpose, an opportunity to empower others, or whole-life wellness, Young Living offers proven solutions.



## YOUNG LIVING MEMBERS

### Preferred Customers

89.5% of Young Living Members are Preferred Customers. These members have not personally enrolled another person but enjoy our high-quality products and exclusive member benefits.



### Business Builders

10.5% of Young Living members are Business Builders. These members have personally enrolled other individuals and enjoy our compensation plan benefits, high-quality products, exclusive member benefits, and other rank-specific perks.

## PREFERRED CUSTOMERS

89.5%

### Preferred Customers



Of the millions of members dedicated to Young Living, 89.5% are Preferred Customers—Young Living members who have never enrolled someone else but purchase product and enjoy member benefits. Preferred Customers join to enjoy Young Living products and wellness solutions. While our expanding line of more than 600 products offers limitless ways to gain greater physical wellness, the Young Living community offers members a way to discover wellness in every facet of life; and our Preferred Customers have access to these and other exclusive member benefits.

## PREFERRED CUSTOMERS (CONT.)

Young Living member benefits include:

- A 24% discount on our 600+ life-changing products, including over 220 essential oils and blends
- Access to an extensive library of essential oil and wellness product education, usage tips, and other valuable resources in our Virtual Office
- Ability to join our Essential Rewards loyalty subscription for convenient, monthly automatic shipments, shipping discounts, points to redeem toward future purchases, and more
- Communication about all things Young Living, including new product announcements, bi-monthly newsletters, event invitations, and much more
- Opportunity to earn an income through our compensation plan as a Business Builder

## FUN FACT:

Preferred Customers enrolled in our Essential Rewards loyalty program received a retail value of more than \$94.5 million in Essential Rewards points in 2017 to use toward future product purchases!

## YOUNG LIVING BUSINESS BUILDERS

Once members begin to share the products they love with others who enroll and purchase products with Young Living, our compensation plan empowers them to create a brighter future with the additional income they can earn. This compensation can become much more than a paycheck as it enables members to discover freedom and meaning through passion-motivated sharing.

Earning compensation requires dedication and hard work; it can be easier or harder depending on the motivation for enrolling, sales skill, existing network, and market conditions. We support those who choose to build a business with:



Training and incentive programs such as Young Living Central, Elite Express, and Help 5



Startup costs as low as \$45 for a Basic Starter Kit



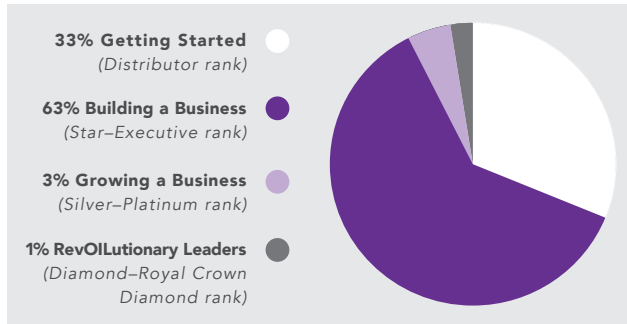
A 30-day return policy as outlined in our Policies and Procedures



Quality products we believe are easy to love and share

Whatever your motivation—to enhance your life or to help others—we hope you'll join us in the movement to embrace the benefits of pure, powerful essential oils.

## YOUNG LIVING BUSINESS BUILDERS (CONT.)



### FUN FACT:

Young Living pays out nearly 50 percent of PV-commissionable sales to our Business Builders!

## GETTING STARTED WITH A YOUNG LIVING BUSINESS

### 33% DISTRIBUTOR\*

Many of our members fall in love with our products and are Preferred Customers long before they ever consider building a Young Living business. When Preferred Customers begin building a business by personally enrolling another individual, they're deemed as Distributor rank by Young Living—our entry-level business-building rank. In 2017, 33%\* of Young Living business-building members were ranked as Distributor and earned an average commission of \$26 per month or \$312 per year.

## BUILDING A BUSINESS

### 63% STAR TO EXECUTIVE\*

On average, a Distributor-level member enrolls approximately two other members before advancing to Young Living's next business-building rank of Star. Of all Young Living business-building members, 63%\* rank as Star, Senior Star, or Executive. These individuals have advanced by either organically sharing Young Living or actively pursuing a business.

## STAR-EXECUTIVE

| YOUNG LIVING MEMBER RANK | PERCENTAGE OF STAR-EXECUTIVE MEMBERS | AVERAGE MONTHLY INCOME | ANNUALIZED AVERAGE INCOME | AVERAGE MONTHS TO ACHIEVE RANK |
|--------------------------|--------------------------------------|------------------------|---------------------------|--------------------------------|
| STAR                     | 64.8%                                | \$75                   | \$906                     | 12 (1 yr.)                     |
| SENIOR STAR              | 24.8%                                | \$235                  | \$2,819                   | 19 (1 yr. 7 mo.)               |
| EXECUTIVE                | 10.4%                                | \$502                  | \$6,028                   | 25 (2 yr. 1 mo.)               |

## GROWING A BUSINESS

### 3% SILVER TO PLATINUM\*

Silver, Gold, and Platinum-ranked members make up 3% of our business-building ranked members. As members focus on growing their Young Living business and dedicate themselves to the hard work required to be successful, they move up ranks and become eligible for additional earning opportunities and other benefits like exclusive recognition events, leadership trainings, and more.

## SILVER-PLATINUM

| YOUNG LIVING MEMBER RANK | PERCENTAGE OF SILVER-PLATINUM MEMBERS | AVERAGE MONTHLY INCOME | ANNUALIZED AVERAGE INCOME | AVERAGE MONTHS TO ACHIEVE RANK |
|--------------------------|---------------------------------------|------------------------|---------------------------|--------------------------------|
| SILVER                   | 77.1%                                 | \$2,088                | \$25,059                  | 32 (2 yr. 8 mo.)               |
| GOLD                     | 17.4%                                 | \$5,666                | \$67,995                  | 49 (4 yr. 1 mo.)               |
| PLATINUM                 | 5.5%                                  | \$13,872               | \$166,468                 | 58 (4 yr. 10 mo.)              |

## REVOILUTIONARY LEADERS

### 1% DIAMOND TO ROYAL CROWN DIAMOND\*

Individuals like our RevOILutionary Leaders who have found significant success and achieved Young Living's higher ranks have typically dedicated considerable time and effort to their businesses. Diamond+ members receive enhanced benefits, including additional earning opportunities, exclusive recognition events and leadership trainings, early communication from Young Living about product launches and other company efforts, and much more. Many of these members do incredible things with their extra income like assisting their communities and donating to charities, humanitarian projects, and more. These members make up 1% of Young Living's business-building members, but they make a great impact on the world through their passion and generosity.

## DIAMOND-ROYAL CROWN DIAMOND

| YOUNG LIVING MEMBER RANK | PERCENTAGE OF ALL DIAMOND+ MEMBERS | AVERAGE MONTHLY INCOME | ANNUALIZED AVERAGE INCOME | AVERAGE MONTHS TO ACHIEVE RANK |
|--------------------------|------------------------------------|------------------------|---------------------------|--------------------------------|
| DIAMOND                  | 69.8%                              | \$35,348               | \$424,178                 | 70 (5 yr. 10 mo.)              |
| CROWN DIAMOND            | 14.7%                              | \$64,477               | \$773,724                 | 85 (7 yr. 1 mo.)               |
| ROYAL CROWN DIAMOND      | 15.5%                              | \$144,551              | \$1,734,606               | 97 (8 yr. 1 mo.)               |

\*The percentages listed for Distributor rank and higher are calculated from the 10.5 percent member population who are considered Business Builders, not Young Living's full member base and does not include Preferred Customers.

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