

ECONOMIC AND HEALTH & WELLNESS

IMPACT on the U.S. | 2017



ISAGENIX[®]

THE IMPACT ISAGENIX IS MAKING

As a nearly billion-dollar company, it's only natural to wonder about the impact Isagenix is having on a much larger scale, so we recently commissioned Arizona State University to prepare an economic impact report that demonstrates the rippling positive effects our employees, Associates, and vendors have on the U.S. economy. You can use this helpful report in your business, because it's proof you're with the right company with results to back it up!

SHARE

THE ISAGENIX ECONOMIC IMPACT REPORT

FRIENDS AND FAMILY



Make your loved ones proud by educating them on what you do, why you do it, and the impact it has on others.

CUSTOMERS



Provide your Customers with high-quality nutrition that fuels their health goals with products from a trustworthy company.

BUSINESS BUILDERS



Build credibility with potential business builders. Use this report to explain the impact your business has on a greater scale and why those who are interested should join your team.

YOUR COMMUNITY



Demonstrate our core value of contribution either at your children's school or through a nonprofit organization.



FOR 16 YEARS, Isagenix has inspired and empowered individuals, families, and communities to live life to the fullest through a journey of nutrition, health, and overall wellness. With more than two-thirds of American adults considered overweight or obese, the need for our products is greater than ever. Not only have we helped hundreds of thousands integrate better nutrition into their daily lives, but we've also provided meaningful work to tens of thousands of independent sales representatives. Now, our business extends across 17 markets and five continents.

This report shares the impact Isagenix has made on the U.S. economy in 2017, as reported by Arizona State University's Seidman Research Institute. Additionally, we are excited to share highlights from another report by the Seidman Research Institute, evaluating savings to the U.S. economy resulting from the health improvements of 12,561 Isagenix Customers who reported their reduced body mass index (BMI). This study is particularly relevant as our country and the world search for meaningful ways to turn the tide of the weight-related health crisis. 



The economic impact reported herein was analyzed by ASU Seidman Research Institute from data reported by Isagenix.

ISAGENIX[®] BY THE NUMBERS

IMPACT

\$1.6 BILLION

GDP IMPACT ON U.S. ECONOMY



14,155

U.S. JOBS SUPPORTED

\$1.1 BILLION

U.S. LABOR INCOME

\$461 MILLION

ESTIMATED ECONOMIC SAVINGS

in terms of reduced medical costs and increased productivity over a 20-year anticipated work life due to reduced probability of incidence of 20 high-risk diseases for a sample group of 12,561 Isagenix customers in the U.S. who self-reported weight loss.

REVENUE

\$958
MILLION

GLOBAL
REVENUE

\$700
MILLION

UNITED STATES
REVENUE

\$258
MILLION

INTERNATIONAL
MARKETS REVENUE

JOBS & WAGES

1,079 GLOBAL WORKFORCE

\$88 MILLION GLOBAL WAGES & BENEFITS

867 U.S. EMPLOYEES

\$76 MILLION U.S. WAGES & BENEFITS

COMMITMENT TO OUR EMPLOYEES

ISAGENIX was home to 867 U.S.-based employees in 2017 up 33 percent over the prior year. By the end of 2018, we anticipate an additional 10 percent increase in our U.S. workforce. With our U.S. wages and benefits totaling \$76 million and an estimated \$13.5 million in state and local taxes paid by our employees, the total impact of our labor force on the U.S. economy, including multiplier effects related to our employees' consumer spending, reached \$186 million in 2017.

Isagenix is committed to attracting a diverse workforce. At the end of 2017, 60 percent of our workers were women, and minorities made up 40 percent of all employees.

We are proud to be recognized for our commitment to employees by *Direct Selling News'* Best Places to Work. We have also been named one of the Best Places to Work and Healthiest Places to Work in Arizona by the *Phoenix Business Journal*.

Isagenix has also been named to the Inc. 5000 list of the fastest-growing private companies of America for 11 consecutive years (2006-2017) and is a member of the 10X Club, achieved by only one-half of 1 percent of honorees.

867 U.S. EMPLOYEES (UP 33% FROM PREVIOUS YEAR)

\$76 MILLION U.S. WAGES AND BENEFITS

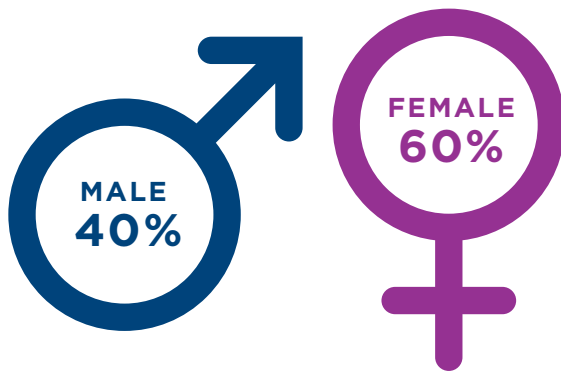
\$13.5 MILLION STATE & LOCAL TAXES PAID BY EMPLOYEES

\$186 MILLION TOTAL IMPACT ON U.S. ECONOMY

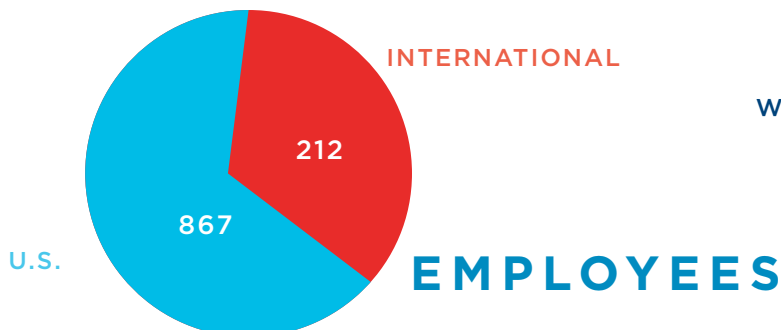
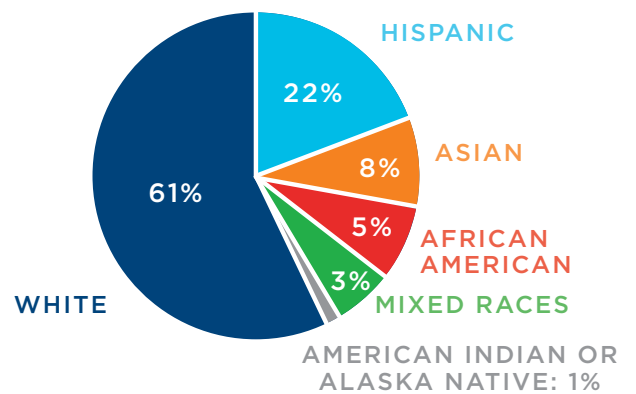
COMMITMENT TO OUR EMPLOYEES



GENDER



ETHNICITY



COMMITMENT TO OUR VENDORS

\$372 MILLION PAID TO U.S. VENDORS

\$745 MILLION GDP IMPACT

7,681 JOBS SUPPORTED

\$467 MILLION LABOR INCOME IMPACT

\$55 MILLION ESTIMATED STATE & LOCAL TAXES PAID

MORE THAN 95 PERCENT

of our products are manufactured in the U.S. Isagenix purchased goods and services worth \$372 million from nongovernment U.S.-based vendors in 2017. These businesses include manufacturers, packaging suppliers, freight companies, farmers, professional service providers, and much more.

The total economic impact from our purchases is estimated at \$745 million GDP, supporting 7,681 jobs and providing \$467 million in labor income.



COMMITMENT TO OUR ASSOCIATES



OUR SUCCESS at Isagenix depends on the hard work of thousands of independent contractors (Associates) who promote our products throughout the world. In 2017, our Associates sold over \$958 million in products to over 600,000 customers throughout the world, of which \$700 million was sold in the U.S.

78,760 Associates, representing all 50 states, as well as the District of Columbia and U.S. territories, earned commissions in 2017. According to the Seidman Institute report, an estimated \$64 million was paid in state and local tax payments associated with U.S.-based Associates in 2017. The total economic impact of our U.S.-based Associates is estimated at \$637 million GDP, supporting 4,385 jobs and providing \$489 million in labor income.

Of the 254 Associates around the world who have achieved gross cumulative earnings of \$1 million or more since joining Isagenix, 173 are U.S. Associates.

\$637
MILLION

GDP IMPACT FROM
COMMISSIONS PAID

78,760

U.S. ASSOCIATES
EARNED COMMISSIONS

\$489
MILLION

LABOR INCOME IMPACT
FROM COMMISSIONS PAID

\$64
MILLION

ESTIMATED STATE AND
LOCAL TAXES PAID BY
ASSOCIATES

4,385

JOBS SUPPORTED

173

U.S. ASSOCIATES
EARNED \$1 MILLION+
in gross cumulative earnings
since joining Isagenix

COMMITMENT TO DO THE RIGHT THING

AS A DIRECT SELLING COMPANY, we are cognizant that it is our responsibility to provide a clear understanding of appropriate sales techniques and assure compliance with regulatory guidelines regarding product and income claims.

Isagenix is a member of the Direct Selling Association, and we adhere to its Code of Ethics, which establishes the highest standards of operations among member companies. We invest significant time, money, and resources to ensure that our Associates are properly trained to share their experiences with our products in an appropriate manner.

Our team of attorneys and experienced compliance specialists make up one of the largest compliance teams among direct selling companies. They monitor multiple social media channels to identify and rectify violations of compliance guidelines and attend corporate events to help ensure that appropriate information is provided. To support our efforts, we have engaged a state-of-the-art monitoring service called FieldWatch, which crawls the Internet looking for possible violations of our policies. The violations are then reported to our compliance specialists and are addressed immediately.

To protect our customers and our Associates' businesses, we monitor online sales platforms to deter the sale of unauthorized, expired, or counterfeit product. We engage private law firms to assist in these efforts at considerable expense. Our compliance team also responds to consumer complaints submitted to the Better Business Bureau. We are proud of our A+ rating, which we attribute not only to the quality of our products and opportunity, but also to the responsiveness of our team to customer concerns. We are also proud of being a 2018 BBB Torch Awards for Ethics Finalist, which recognizes our commitment to ethical business practices.



COMMITMENT TO HEALTH & WELLNESS

Isagenix innovates, formulates, and manufactures effective, nutritious products supported by scientific testing. Our more than 50 full-time scientists, Ph.D.s., and registered dietitians, with guidance from our Scientific Advisory Board, work tirelessly to provide our customers with no-compromise products that help them meet a variety of health and wellness goals.

We are committed to funding esteemed researchers at well-respected universities to demonstrate the clinical benefits of our dietary systems and products. Since 2011, we have funded eight studies to substantiate the effects of our products and systems with multiple universities including the University of Illinois at Chicago, Skidmore College, and Arizona State University.

100+

INDIVIDUAL HEALTH AND
WELLNESS PRODUCTS

TOP 5

PRODUCTS IN U.S.

- IsaLean™ Shake
- Cleanse for Life®
- Ionix® Supreme
- IsaLean Bars
- e+™ Shot

50+

FULL-TIME
SCIENTISTS

BEFORE

AFTER



LAUREN C.

RACHEL K.

COMMITMENT TO HEALTH & WELLNESS

ISAGENIX COMMITMENT TO HEALTH THE ECONOMIC IMPACT[†]



seidman
research institute

IN 2017, Isagenix commissioned Arizona State University's Seidman Research Institute to evaluate estimated economic savings resulting from weight loss and BMI reductions reported by 12,561 overweight and obese Isagenix Customers. Seidman used the reported results to estimate the potential cost savings and benefits in terms of lower treatment costs for 20 diseases common to overweight and obese individuals‡ and greater workforce productivity/retained earnings to the U.S. economy associated with sustainable weight loss. The Seidman report assumes an average age of 45, and when calculating 20-year savings and benefits, assumes the individuals work to the age of 65 while maintaining the weight loss/BMI reduction.

**\$461
MILLION**
**ESTIMATED
ECONOMIC SAVINGS**

over a 20-year period due to the reduced probability that a sample group of 12,561 customers who self-reported weight loss would contract 20 high-risk diseases.



**\$18
BILLION**
ECONOMIC SAVINGS

over a 20-year period for a simulated Isagenix U.S. Customer base of 500,000.*



\$36,700
ESTIMATED AVERAGE

per-person savings for the U.S. economy over a 20-year period due to the reduced probability that a person from a sample group of 12,561 Customers who self-reported weight loss would contract 20 high-risk diseases.



20%
**OF COSTS TO
THE U.S. ECONOMY**

Costs to the U.S. economy identified by the Milken Institute‡ could be avoided if BMI reductions observed in the sample group took place across the nation's overweight and obese populations.

*Assuming all 500,000 have the same overweight and obese proportions and age shares as the sample group, they all achieve the same success observed in the sample group, and the reduced BMI remains permanent.

‡Weighing Down America: The Health and Economic Impact of Obesity (Milken, 2016).

COMMITMENT TO RESULTS



421 POUNDS

GREATEST REPORTED
WEIGHT LOSS*

120 POUNDS

AVERAGE WEIGHT
LOSS BY 100-POUND
CLUB MEMBERS*



100-Pound Club members Robin J. and Kenya LaShelle E. Both were featured in 2018 PEOPLE's "Half Their Size" issue, and both credit Isagenix with helping them transform their bodies.

*Weight loss should not be considered typical. In a study performed in 2012 by University of Illinois at Chicago researchers, subjects lost an average of 9 pounds with an average of 2 pounds of the loss from visceral fat after 30 days on an Isagenix System. The subjects also had a greater level of adherence and had more consistent weight loss from week to week compared to subjects on a traditional diet.

COMMITMENT TO RESULTS

SINCE 2014, Isagenix has received close to 347,000 entries in the IsaBody Challenge®, a 16-week body transformation challenge in which participants submit “before” and “after” photos, use Isagenix products to support their transformation goals, and submit personal essays describing their journeys to greater health and fitness. As of March 2018, we have received 103,457 IsaBody Challenge completions. IsaBody™ participants achieve a wide range of health and fitness goals, including weight loss, muscle gains, energy, and increased performance. Those who complete the Challenge are eligible to win a share of over \$1 million in cash and prizes.

ISABODY™

347,000

ENTRIES FROM 2014-2017

103,457

COMPLETIONS AS OF MARCH 2018
(This total does not include members actively participating in a current Challenge)



COMMITMENT TO OUR COMMUNITIES

ISAGENIX is a global family determined to not only serve as leaders in wellness but also leaders in our communities around the world. To expand our global giving and integrate our value of Contribution into our brand architecture, we are launching a new Community pillar that will include our brand-new Isagenix Legacy Foundation. Through the Foundation, we aim to amplify sustainable change globally through volunteer efforts and charitable contributions focused on healthy nutrition for disadvantaged children, wellness education, and disaster relief.

Our employees and Members contribute to many civic and charitable organizations that align with our core values. We give back through our annual START Global Give Back Day and other charitable activities such as Arizona Better Business Bureau Ethical Athlete Award, Food For Thought, and many others.

We provide donations, volunteers, free products, and meeting spaces to many Arizona charitable and civic organizations. From 2012-2018, Isagenix was one of the largest supporters of Make-A-Wish®, donating over \$9 million and helping to grant more than 938 wishes to deserving children in 12 countries. We also contributed over \$4 million in product and monetary donations to disaster relief victims around the world.

While we don't do this to receive recognition, we are honored to have received the 2017 Arizona Corporate Excellence Top Private Company and CEO of the Year awards; be recognized as a 2017 Direct Selling Association top 20 Direct Sales Companies based on 2017 U.S. net sales; be named a Direct Selling News 2018 Best Place to Work; and be listed among 2016 Phoenix Business Journal Valley's Largest Corporate Philanthropists, Best Places to Work, Healthiest Employers, and a Top Family-Owned Business.



\$9
MILLION

CONTRIBUTED
TO MAKE-A-WISH
SINCE 2012

TOP 10

MOST PHILANTHROPIC
COMPANY IN ARIZONA

\$6
MILLION

IN 2017
CHARITABLE GIVING

COMMITMENT TO
OUR COMMUNITIES



ISAGENIX
LEGACY
FOUNDATION

COMMITMENT TO OUR PLANET

8+
MILLION
ISALEAN™
SHAKE CANISTERS
PACKAGED IN PCR
ANNUALLY

100%
PCR ON ALL
PRODUCTS
PACKAGED IN
BOTTLES AND
CANISTERS BY 2023

33%
OF ENERGY
AT GLOBAL
HEADQUARTERS
POWERED
BY SOLAR



THE ISAGENIX COMMITMENT to community extends to protecting the environment. That's why we made sustainability a priority when designing our new world headquarters building. The 166,000-square-foot corporate headquarters building in Gilbert, Arizona, is LEED certified on the exterior, with newly installed solar panels expected to provide 57,700 kwh of renewable energy annually. Every employee is committed to reducing the company's carbon footprint by implementing environmentally friendly programs such as eliminating plastic water bottles, hosting paperless meetings, and reducing paper waste. One of the most impactful changes began on Earth Day when we transitioned the packaging of our IsaLean™ Shake and IsaPro® canisters to post-consumer recycled plastic, which totals more than 8 million canisters per year. We aim to be using post-recycled packaging for all bottles and canisters by 2023.





“As we grow larger as a company, our environmental footprint also continues to expand. In keeping with our goal to impact lives across the globe, we are committed to doing what’s right in terms of impacting the planet. That means striving to increase our sustainability efforts and constantly seeking new ways to do even more. At Isagenix, we are committed to working as **One Team** to take action today so we can have a healthy planet for our future.”

-Erik Coover, Isagenix Owner, Senior Vice President of
Global Field Development and Culture



ISAGENIX WORLD HEADQUARTERS

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