## ISAGENIX,

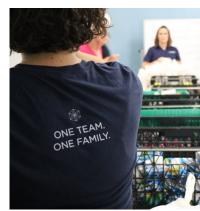
# **SOCIAL IMPACT**

REPORT









2020 - 2021



We're thrilled you're here!

It's hard to believe it's been nearly two decades since we started on this journey to impact world health and free people from physical and financial pain, and in the process, create the most trusted and respected health and wellness company in the world. Today, we're so proud to offer solutions to help people feel better, eat better, move better, and look better – because we believe everyone deserves to experience a healthy, joyful, and abundant life.

As a global wellbeing company, we offer more than 175 effective products and a supportive community for our 550,000 customers spanning 26 markets along with our network of independent distributors, who share our passion for wellbeing.

We believe our corporate responsibility includes looking for opportunities to protect our environment and giving back to the communities we serve. This past year has proven to be anything but ordinary, and amidst the challenges, we've kept working hard to find ways to make an even more meaningful and lasting impact.

## **Engaging Employees**

Our employees are at the heart of our brand. We believe in helping them live a better, more balanced life. That's why we offer comprehensive benefits like a wellness program and a diversity collective, along with a generous product discount to encourage our employees to be their best selves.

## Going (More) Green

Bringing new packaging innovations into our portfolio to achieve our long-term goal of producing zero waste packaging by 2028 remains a top priority. Our team has invested so much time in research and testing, and in some cases, search out new technologies that met our quality standards.

## **Building Community**

Charitable giving has always been a focus for Isagenix. To date, we've donated more than \$40 million to those in need. Since launching the ISA Foundation in 2018 to further our efforts, we've provided more than 30 million healthy meals and served over 9.5 million children and families across the country and around the world. Our mission, which expanded in 2020, is guided by four pillars: healthy nutrition and support for underserved children; wellness education for all; aid for those affected by natural disasters, and the pursuit of equality. By supporting our remarkable grant partners, we believe we can make a difference and inspire change.

With this social impact report, we are excited to give you a closer look at our employee demographics, corporate culture, sustainability initiatives, and charitable contributions.

After a year with so much uncertainty, we're feeling overwhelmed with gratitude and hope for the future.

Stay well,

Jim, Kathy, and Erik Coover



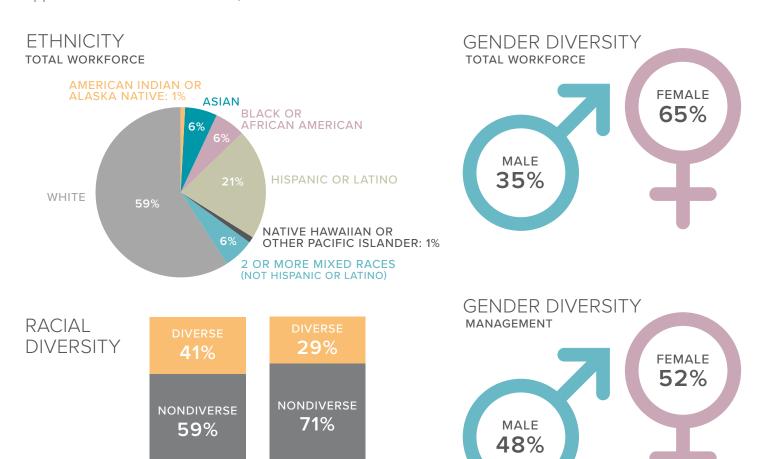




## **Caring for Our Employees**

Isagenix is home to 700 employees globally, including more than 500 in the U.S. Recognizing the value of these employees, the company has put significant effort and resources into creating a supportive work environment.

Nearly 65% of our employees are women, and 41% are members of minority groups. In 2020, we appointed our first female CEO, Sharron Walsh.



**MANAGEMENT** 

TOTAL

WORKFORCE

<sup>\*</sup>Employee data as of April 2021 is representative of U.S. workforce only. Figures rounded to nearest percentage.



## **Corporate Initatives**

- Early in 2021, the company formed the Isagenix Diversity, Equality, and Inclusion Collective, consisting of 10-12 employees with different ethnicities, races, genders, sexual orientations, and other diverse attributes. Members of this collective, led by Chief Visionary Officer Erik Coover and Vice President of Human Resources Deborah Mathews focus on (1) listening and learning from one another and others and, (2) advising the company on how we can all become better together so that everyone interacting with Isagenix feels safe, included, and equal.
- Our commitment to global wellbeing starts at home. We offer generous employee benefits including nationwide healthcare, generous paid time off including nine paid holidays, a 401(k) with employer match, an employee stock ownership plan, tuition reimbursement, discounts on products and
- We offer an employee IsaBody program, which was extended beyond corporate headquarters in 2020 to all employees globally. More than 50% of employees have participated in the program since we first launched it and enjoyed improved wellbeing as a result. For example, last year's winner lost a total of 35.2 pounds and 10.6% body fat and saw a reduction of 5.7 BMI points.\*
- This year, we took significant steps to care for our employees during the pandemic. Over 90% of employees worked from home, we increased cleaning procedures at corporate HQ, and we converted on-site fitness classes to virtual classes.
- We offer a ride-share program and electric vehicle charging stations at corporate HQ to help protect the environment and support sustainable transportation options.





## Caring for Our Planet

OUR GOAL IS ZERO WASTE PACKAGING BY 2028.

No doubt an ambitious goal, but one we're confident we can accomplish.

### **FOCUS AREAS**

### **Choose Better**

- Use materials that have a past life.
- Ensure materials can have a life after we use them.

#### Use Less

- Use what we need, not what we don't.
- Disocover new ways to do great things with less.

## Be Responsible

- Be aware of our environmental footprint.
- Make conscientious decisions for our planet.



### **OUR JOURNEY TO ZERO WASTE**

We're striving to have all packaging components be recyclable and/or compostable by 2028.

STATUS: On track

**CURRENT POSITION OF PRODUCTS THAT ARE ZERO WASTE: 5.5%\*** 

**SUSTAINABLE PACKAGING SCORE:** 91%\*\*

#### ZERO WASTE PRODUCTS

#### 2021

#### ADAPTOGEN ELIXIR™

Newly launched Adaptogen Elixir is our third product to launch in **100% zero waste packaging**.

- Each bottle is produced by a world-renowned carbon-neutral manufacturer that exceeds the highest standards for sustainability in technology and manufacturing processes.
- Glass bottles are designed specifically to keep the elixir fresh and are 100% recyclable.





#### COLLAGEN ELIXIR™

Launched in the U.S. in 2021, Collagen Elixir was the second product to launch in **100% zero waste packaging** and is one of our biggest sellers.

- This product provides the very highest-quality collagen produced by the same world-renowned carbon-neutral manufacturer as Adaptogen Elixir.
- The collagen peptides are derived from cold-water cod, pollock, and haddock sourced from the pristine Scandinavian waters using a fishery with a prestigious Marine Stewardship Council certification.
- Glass bottles are designed specifically to keep the elixir fresh and are 100% recyclable.

#### 2020

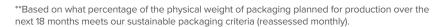
#### WHOLE BLEND ISALEAN® SHAKES

Launched in the U.S. and Canada in 2020, Whole Blend IsaLean Shakes was the first product to launch in **100% zero waste packaging**.

- Each shake contains 21 vitamins and minerals from whole organic vegetables and 24 grams of high-quality protein.
- Cookies and Cream Flavor Whole Blend IsaLean Shake was our first product in the U.S. and Canada to have zero waste packaging.



<sup>\*</sup>Based on the percentage of products in our global portfolio that reach a 100% sustainable packaging score (reassessed monthly).





## **Choose Better**

#### 2021

- Introduced 100% plant-based fiber scoops in all whey and plant-based
   Whole Blend IsaLean Shakes. Over 12-months, this will result in approximately
   3 million fewer plastic scoops.
- Began efforts to integrate fiber scoops into more product lines including IsaLean Shakes, Ionix Supreme®, and Cleanse for Life® powder. Upon full implementation with these two popular product lines, we will eliminate approximately 5.5 million plastic scoops per year.





#### 2020

- Unveiled 100% recyclable gusset bags for our Whole Blend IsaLean Shakes that maintain the product's 12-month shelf life. This technology results in 80% less plastic used.
- Transitioned IsaFlush® and Natural Accelerator™ bottles to postconsumer recycled (PCR) plastic. The change saves 1.2 million bottles of non-PCR (virgin) plastic from being produced over 12 months.
- Began transitioning Cleanse for Life and Ionix® Supreme powder canisters to 100% PCR plastic.

## Use Less

#### 2021

- Eliminated the paper packing slip in all North America orders, saving 3.6 million pieces of paper in the U.S., Canada, and Puerto Rico each year. That's equivalent to the height of Willis Tower in Chicago (formerly Sears Tower)!
- Continuing prior efforts, began eliminating plastic neckbands on several additional products across the portfolio including IsaLean Shakes, AMPED powders, and Ionix Supreme.

#### 2020

- Resized our cardboard shipping boxes, resulting in a 15% reduction in the air pillows needed to ship within the U.S. and Canada.
- Opened a fifth warehouse, located in Reno, Nevada, to ship
  products to the Pacific Northwest. The estimated reduction of
  coolers, when stacked on top of each other, would be 14.2 miles
  high! That's more than twice the height of Mount Everest.



## Be Responsible

#### 2021

 Worked continuously to improve our supplier network and sourcing strategies to reduce our carbon footprint and decrease landfill waste.

#### 2020

- Partnered with a world-renowned carbon-neutral manufacturer that exceeds the highest standards for sustainability in technology and manufacturing processes to produce Collagen Elixir™ and Adaptogen Elixir™.
  - Compliant with the Gold Standard outlined in the international treaty known as the Kyoto Protocol for carbon neutrality.
  - LEED certified.
  - Zero carbon manufacturing.
  - Made a public commitment to use 100% renewable energy before 2030.





### WORLD HEADQUARTERS

The exterior of our Gilbert-based building is LEED-certified, a globally recognized symbol of sustainability. Photovoltaic solar panels mounted on parking lot shade structures provide approximately 463,000 kilowatt-hours of renewable energy annually, powering nearly one-fourth of the building, and three electric vehicle charging stations are available to all employees, free of charge.













## **Caring for Our Communities**

### GIVE BETTER. DO BETTER

Giving back has always been at the core of Isagenix. Since 2002, we've made a meaningful impact in our local, national, and international communities. We're proud of the \$40 million we've given to date in product and monetary donations to charities and underserved populations around the globe.







#### ISA FOUNDATION

In 2018, we established the ISA Foundation, a 501(c)(3) nonprofit organization, to further our charitable giving by partnering with multiple charitable organizations that align with the Isagenix vision. The company covers the foundation's administrative costs so 100% of donations can benefit those in need.



#### THE ISA FOUNDATION'S MISSION IS TO CREATE SUSTAINABLE IMPACT GLOBALLY THROUGH VOLUNTEER EFFORTS AND CHARITABLE CONTRIBUTIONS FOCUSED ON:



Healthy nutrition and support for underserved children.



Wellness education for all.



Aid for those affected by natural disasters



The pursuit of equality.

### **GRANT FUNDING**

Throughout the year, the ISA Foundation awards grants to nonprofit organizations that align with its mission. In April 2021, there were 35 grants awarded totaling over \$1.1 million. That included two major grants of \$100,000 to GirlTrek to support the physical and emotional wellbeing of Black women and girls and \$150,000 to SERV International to provide sustainably grown and highly nutritious food relief in the sub-Saharan region of Africa.



**GRANT CYCLES** 6 per year



**GRANTS AWARDED** \$4.4 Million

#### MORE WAYS TO GIVE BACK

The ISA Foundation encourages Isagenix employees and independent distributors throughout the year to make an impact by participating in organized volunteer projects worldwide, including exclusive projects for top donors.

An annual Global Give Back Day inspires hundreds of people each year to share the gift of giving through volunteerism by connecting with dozens of nonprofit organizations worldwide. This incredible event brings people together for the greater good and significantly impactson those who need it most.



Additionally, when Isagenix customers purchase products such as BĒA™ Sparkling Energy Drink, along with Kathy Coover's book, "Resilient: Lessons Learned, Lives Changed," Isagenix donates a portion of the proceeds to the ISA Foundation.

#### COVID-19 IMPACT

Together, Isagenix and the ISA Foundation quickly used resources to help support the wellbeing of communities worldwide impacted by the COVID-19 pandemic. In particular, Isagenix products are donated to food banks and nonprofit partners year-round Those donations were substantially increased during the pandemic to assist those affected, including children out of school, homebound seniors, front-line emergency workers, and Navajo Nation residents.





PRODUCTS DONATED \$5.7 Million in 2020



7 COUNTRIES (Australia, Canada, Mexico, New Zealand, South Korea, United Kingdom, and the U.S.)



**MEALS & SNACKS PROVIDED** 1.3 Million





8.095





#### ISAGENIX WORLD HEADQUARTERS

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