

SUPPLEMENT TO THE POLICIES AND PROCEDURES

ASSOCIATE-SPONSORED DISCOUNTS AND PROMOTIONS

We value entrepreneurial leaders who motivate and support members of their teams by recognising extraordinary achievement within their independent businesses. While we don't want to discourage that entrepreneurial spirit, we want to make sure everyone is playing by the same rules. This will help keep the company and your businesses safe, while also creating a level playing field for all Associates.

To minimise possible confusion among Associates concerning what is and what is not permissible when it comes to Associate-sponsored incentives, we are publishing the following general guidelines and further elaboration on the reasons and principles underlying these guidelines:

1. **Associate-sponsored promotions targeting prospective and existing consumers are not allowed.**

This includes any effort to subsidise product purchases, including “free product” offers, holiday sales, other special discounts, rebates, free shipping, free memberships, sharing product introductory bonuses, and other financial incentives that effectively subsidise purchases by consumers. This rule does not apply to discounts and promotions offered by the company, which are available to everyone.

The purpose of this rule is to: (a) maintain a level playing field and avoid giving an unfair advantage to more established leaders who have more resources than other Associates; (b) avoid causing other Associates to feel undue pressure to match those promotions in order to be able to effectively compete for new customers; (c) avoid setting a precedent of using high-cost incentives that could discourage new members from getting into the business; (d) prohibit activity that could be considered (i) manipulation of the compensation plan, (ii) “paying for enrolments,” or (iii) otherwise potentially unlawful activity under certain circumstances; and (e) protect the Isagenix brand and reputation by minimising confusion about our pricing and promotions.

2. **Associate-sponsored contests or promotions designed to reward business builders within their own teams may be permissible if done responsibly and in accordance with Isagenix policies and guidelines.**

Although each situation is unique and additional guidance may be necessary, some key considerations for leaders who desire to run their own promotions are as follows: (a) all rewards or incentives must be based on the sale of products to consumers, never on enrolments; (b) promotions should reward leaders for finding consumers who buy our products, without subsidising the product purchases by those consumers; (c) promotions should be affordable for the leader offering the promotion, and presented in a way that does not put any pressure on other members of the team to offer their own promotions; and (d) to protect leaders from allegations of cross-recruiting and to avoid making a particular team appear more attractive to join than another, communication about team-based promotions must be limited to members of the team and publicised only to members of the team (e.g. no public posts on social media). Again, among other things, this rule is intended to help maintain a level playing field among all Associates.

If you have any questions about this guidance and how it might apply to a promotion you would like to run, or if you would like Isagenix to review a promotion you see on Facebook, Instagram, or other social media, please contact Isagenix Compliance at ComplianceANZ@IsagenixCorp.com.

Isagenix's guidance documents describe the Company's current thinking on a topic. Isagenix reserves the right to amend this document or provide additional guidance as appropriate. Because each situation is unique, you should consult with Isagenix Compliance (ComplianceANZ@IsagenixCorp.com) if you have any questions about how this or other guidance may apply to your situation.