

# Income Disclosure Statement

The income statistics shown below include commissions and other cash payments earned by Consultants under the R+F Compensation Plan. In addition, there is potential to earn incentives and other rewards in recognition of performance. These statistics do not include expenses that may be incurred by Consultants such as optional personal products they may have purchased or money they chose to spend on their own for events, samples, or the like. As a Consultant, you always earn commissions on the sales you make.

In 2022, the typical participant earned up to CAD \$400 in commissions and bonuses.

## CUSTOMERS - 88%

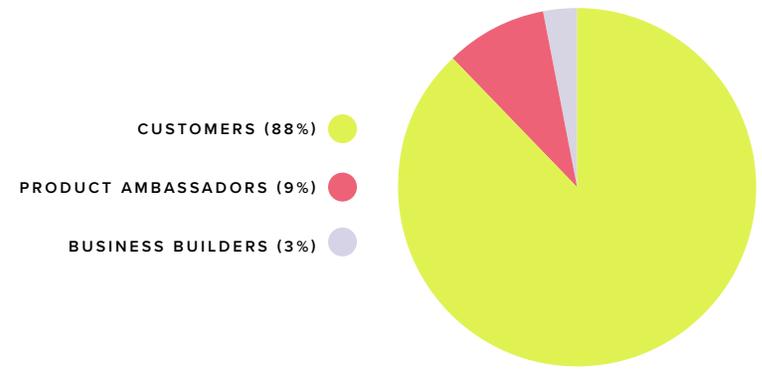
88% of those who order Rodan + Fields products are strictly customers, who love the visible life-changing results of R+F products and continue to enjoy them month over month. These customers just simply love our R+F products. Only a select few of them will ever decide to become a Consultant and build an R+F business.

	# OF CUSTOMERS	# OF PAID CONSULTANTS	INCOME			TEAM CUST COUNT		
			HIGH	LOW	MEDIAN	MIN	AVG	MEDIAN
PRODUCT AMBASSADORS <i>74% of Paid Consultants</i>	LESS THAN 5	54%	\$1,921	\$20	\$167	1	2	2
	5 to 9	14%	\$4,979	\$87	\$683	5	7	6
	10 to 20	5%	\$5,443	\$403	\$1,689	10	13	12
	20+	1%	\$14,794	\$1,291	\$4,261	20	28	24

BUSINESS BUILDERS		# OF PAID CONSULTANTS	INCOME			TEAM CUST COUNT	
			HIGH	LOW	MEDIAN	MIN	MEDIAN
DEVELOPING BUSINESS <i>21% of Paid Consultants</i>	C*	11.64%	\$9,013	\$20	\$566	1	6
	C	3.90%	\$6,203	\$33	\$1,807	1	14
	EC	4.98%	\$20,930	\$1,767	\$4,709	10	35

EVOLVING LEADERSHIP <i>4% of Paid Consultants</i>	LI	2.34%	\$20,318	\$3,183	\$7,023	17	86
	LII	1.41%	\$60,599	\$5,803	\$13,473	63	203
	LIII	0.47%	\$46,832	\$12,957	\$25,998	183	434
	LIV	0.18%	\$79,340	\$19,255	\$37,095	312	942

ADVANCED LEADERSHIP <i>&lt;1% of Paid Consultants</i>	LV+	0.14%	\$96,847	\$31,771	\$55,749	318	1,451
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## PRODUCT AMBASSADORS - 9%

9% of the R+F community love the visible life-changing results of R+F products and are Consultants who focus primarily on sharing the products with consumers. These Consultants are product advocates and generate their commissions from product sales to new and existing customers. Product Ambassadors make up a large percentage (74%) of R+F paid Consultants.

## BUSINESS BUILDERS - 3%

The remaining 3% of the R+F community are Consultants who are our business builders. These Consultants not only love the potentially life-changing visible results of R+F products but also its life-changing opportunity. They have made the decision to invest a significant amount of time and effort sharing the products with new Customers, building a loyal customer base and developing a team of Consultants to leverage the R+F opportunity.

We have 3 types of Business Builders:

### DEVELOPING BUSINESS - 21% OF PAID CONSULTANTS

Consultants who dedicate time to sharing R+F award winning products and business opportunity with others can start developing their own skincare and haircare business. By sharing the brand and the products with their community they can make a difference through life-changing skincare and haircare one person at a time. As they begin to share the opportunity, which is considered the first step to becoming a business builder, they start to develop their own team.

### EVOLVING LEADERSHIP - 4% OF PAID CONSULTANTS

With consistency and effort, Consultants can evolve into skincare and haircare entrepreneurs as they continue to grow their Customer base and lead other developing business owners. As they continue to grow their business, these Consultants are dedicated to helping many people feel confident and empowered to share R+F products and the business with others. Those who have reached the evolving leadership status have a base of several customers, and they have also helped some start a business and become Developing Consultants.

### ADVANCED LEADERSHIP - <1% OF PAID CONSULTANTS

Our highest-level Consultants lead larger teams and coach their teams towards their own business advancements. These Consultants demonstrate advanced leadership skills and continually show and share the power behind the R+F opportunity. Advanced Leadership Consultants are dedicated and invested in building a sustainable and meaningful R+F business.

\*Excludes Consultants who were not paid in 2022. See other side for number and percentage of Consultants that did not earn compensation, but received benefit of discounted prices.

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## *What does it mean to enroll as a Rodan + Fields Independent Consultant?*

As a Rodan + Fields Independent Consultant, you can choose the path that is best for you. You can participate simply by purchasing products at a discount for personal use and/or fully participate in the R+F Compensation Plan by selling R+F products to customers and/or build a team to earn monthly commissions. You may also be eligible for other bonuses, rewards, and incentives along the way!

Note: If you are joining just to purchase products for personal use, we recommend that you instead enroll as a Preferred Customer (PC) for a one-time fee of CAD \$24.95 to enjoy the PC discount and all the perks that come along with this membership. Please see the PC Perks Terms and Conditions for more information.

## *What if I decide this just isn't for me?*

No problem! If it turns out this isn't for you, you can cancel your Consultant Agreement at any time!

Additionally, all products come with a 60-day empty bottle money-back Satisfaction Guarantee — even if some of the product has been consumed. After 60 days and for up to one year from when you make your purchase, you may return any unsold product in resalable condition for a 100% refund of the purchase price (not including shipping costs) if the business does not work out for you and you terminate your Consultant account.



## *What should I know prior to becoming a Rodan + Fields Independent Consultant?*

- ▶ Consultants are eligible to purchase products at reduced prices, create their own schedule, and have the potential to earn monthly commissions.
- ▶ Independent Consultants' business results vary significantly, and no income is promised or guaranteed. Many earn "fun money" and income for discretionary purchases; some even earn more.
- ▶ Earnings depend on a number of factors, including leadership, business experience, expertise, quality and depth of network, and individual effort.
- ▶ Potential Consultants are urged to perform their own due diligence prior to making any decision to participate. Please review the R+F Policies & Procedures before deciding whether to enroll.
- ▶ In 2022, the typical participant earned up to CAD \$400 in commissions and bonuses.



## *What are the ways I can earn money?*

The R+F Compensation Plan is based on product sales. You cannot earn income from sponsoring or recruiting team members. You can earn by:

- ▶ Participating in the Rodan + Fields Compensation Plan and earning monthly commissions\*
- ▶ Unlocking other rewards, incentives, and bonuses through various programs

## *How much can I expect to earn?*

In 2022, R+F had 12,243 enrolled Consultants. 5,265 (43%) were Paid Consultants who received payment in at least one month for sales that occurred during 2022 and 6,978 (57%) were Consultants who received the benefit of discounted prices, but did not earn any compensation from R+F.

Please see other side for more details.

\* To be eligible for commissions on products, you must have monthly sales to customers and/or achieve qualification through your own, or your team's, purchases or sales based on Qualifying Volume. For more information see the Rodan + Fields Compensation Plan.