

2018 U.S. COMMISSIONS OVERVIEW

ABOUT BEAUTYCOUNTER

Beautycounter is a direct retail brand that sets the standard for clean beauty. Operating in the United States and Canada, Beautycounter advocates for safer skincare and cosmetic products by working directly with government officials and through a community of independent Consultants.

Consultants join Beautycounter by purchasing a \$98.00 Enrollment Kit that includes sales materials, products, and a personal website. Many Consultants choose to buy an optional Starter Set, which includes products to use, demonstrate, and sample, in addition to the Enrollment Kit.

OUR CONSULTANT COMMUNITY

Beautycounter Consultants share the company's industry-changing message and products with those close to them. Over the course of 2018, Beautycounter had over 48,000 Registered Consultants* and nearly 40,000 Active Consultants** in the United States and Canada who received a Commission payment in at least one month of the year.

Consultants join Beautycounter to share our mission of getting safer products into the hands of everyone. In doing so, Consultants are eligible to earn up to 35% combined Retail and Personal Sales Bonus Commissions for selling products. In addition, they may enroll other Consultants to develop their own teams. Consultants are then eligible to earn Override Commissions on the sales of their teams. Consultants may also earn special bonuses, such as those that reward performance in the first months after becoming a Consultant, achieving the Director title, or mentoring a large and successful team.

COMMISSIONS IN 2018

To empower and reward our Consultant community for its efforts, Beautycounter paid over \$100 million USD in Commissions in the United States and Canada in 2018. The total amount of Commissions that a Consultant earns depends on many factors, including the amount of time he or she dedicates to Beautycounter.

Consultants determine when and how much they wish to work. Many of our Consultants choose to spend a few hours a week with Beautycounter, while others work on their businesses full-time. As a result, the amount of Commissions earned can vary significantly from Consultant to Consultant. In general, those who dedicate the most time and effort to Beautycounter have the potential to earn the most income.

EARNINGS OF CONSULTANTS IN THE UNITED STATES

Below are the annual income ranges for Commissions earned by Consultants in 2018. These figures do not include the value of trips, recognition, non-cash prizes, and complimentary products earned by Consultants.

HIGHLIGHTS OF 2018 EARNINGS

- The average total annual income for Active Consultants** was \$2,722
- The average total annual income for Registered Consultants* was \$2,233, and this figure includes Consultants who had no sales and therefore earned no Commission.
- Top 1% of Consultants were paid on average \$111,379
- Top 10% were paid on average \$20,722
- Top 50% were paid on average \$5,269

TITLE	MONTHLY INCOME (USD)			***AVG. ANNUAL INCOME	% ACTIVE CONSULTANTS
	MIN.	AVG.	MAX.		
Consultant	\$0.01	\$80	\$760	\$961	70.5%
Sr. Consultant	\$1	\$337	\$2,465	\$4,040	16.1%
Manager	\$63	\$684	\$10,871	\$8,207	5.3%
Sr. Manager	\$236	\$1,128	\$9,982	\$13,540	3.0%
Director	\$236	\$2,134	\$24,895	\$25,607	3.2%
Sr. Director	\$1,534	\$4,254	\$30,790	\$51,046	0.9%
Exec. Director	\$2,713	\$8,455	\$58,101	\$101,455	0.6%
Managing Director	\$6,080	\$23,397	\$132,481	\$280,766	0.4%

These figures show compensation paid by Beautycounter, and they do not reflect other expenses incurred by Consultants while operating their businesses. Beautycounter and/or any of our independent Consultants do not guarantee any level of income. Each Consultant's success in earning Commissions will depend on his or her efforts, abilities, and circumstances. Financial success with Beautycounter requires dedication to one's Consultant business and diligent effort. In addition, success requires demonstrated skill in selling, recruiting, and leading a team of other Consultants. Those considering becoming Consultants should carefully consider their unique circumstances to set any expectation of Commissions that may be earned, rather than relying upon testimonials of others or hypothetical examples.

* A Registered Consultant maintained an account with Beautycounter and had at least one personal order and/or Client/Member sale.

** An Active Consultant received a Commission payment from Beautycounter and had a valid Consultant account by the end of the Commission period.

*** Annual income statistics are determined by annualizing the average incomes for each title.

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