### Amway

# 2024 U.S. Income Disclosure

### Compensation

The Amway<sup>™</sup> business is based on product sales. As an Amway Independent Business Owner (IBO), you cannot earn money by merely sponsoring or recruiting others. You can earn money in the following two ways:

- 1. Retail markup on product sales to customers; and
- 2. Sales commissions (sometimes called bonuses or incentives) based on your product sales and the product sales of those on your sales team.

As with any other sales opportunity, the amount of money you can earn varies, and nothing is guaranteed. Each IBO is different, and you may have different goals for your independent business, but one thing is certain: you will only earn money by selling Amway products to customers – either on your own or together with a sales team of IBOs who also sell products to customers.

The information in this document is based on data we collected about U.S. IBOs in 2024.

### No Cost to Register; Cost to Renew

First-Year Registration Costs	Annual Renewal Costs	
\$0	\$55 + optional \$16	

There is no cost to register and become an IBO. For your first contract year:

- Amway provides complimentary registration (valued at \$55) along with free training and support, including educational videos and digital tools to help you build your business.
- The Independent Business Owners Association International (IBOAI<sup>®</sup>), a separate, non-profit association that advocates for the best interests of IBOs, provides complimentary membership (valued at \$16). We want you to know that you are not alone in starting and developing your independent business.

If you decide to renew your IBO contract at the end of your first contract year, you will pay \$55 to renew your Amway registration and \$16 if you decide to continue your IBOAI membership. Because IBOs are compensated for sales and not enrollment or renewal of other IBOs, your annual renewal costs are paid solely to Amway and the IBOAI.

### Typical Earnings in 2024

There are two ways IBOs earn money: retail markup on product sales to customers, and sales commission based on the sale of products.

#### What were the average annual earnings in 2024?

The average annual earnings in 2024 for all U.S. IBOs at the Founders Platinum level and below were **\$723 before expenses.** This number includes IBOs who did not report any product sales.

The average annual earnings of those U.S. IBOs at the Founders Platinum level and below who reported any product sales personally or by their team in 2024 were \$1,199 before expenses.

#### How do expenses affect the typical earnings of an IBO?

Expenses reduce the amount you earn. These can include the cost to renew with Amway and the IBOAI, shipping charges and taxes, the cost of samples, travel costs, and any optional training and support you purchase from Approved Providers after your first contract year. Approved Providers are Amway-licensed independent training organizations, and they are not allowed to charge you for training and support in your first contract year as an IBO with Amway. Getting training and support from Approved Providers is always completely **optional**.

#### What are the percentages of those IBOs who had sales and earnings in 2024?

- **38%** of U.S. IBOs had no reported product sales, did not sponsor another IBO, and received no payments from Amway.
- **60%** of U.S. IBOs received a payment from Amway in at least one month for product sales that occurred during 2024.

# What are the average annual earnings before expenses for those who received a payment from Amway in 2024?

We calculated average annual earnings by adding up all individual earnings and dividing by the number of U.S. IBOs who received at least one payment from Amway in 2024. Median earnings represent the midpoint in the full range of earnings, from \$0 to the highest amount reported.

	Annual Earnings Before Expenses for IBOs Who Received a Payment from Amway	
Top 10% of the IBOs	\$14,251 (average) and \$4,478 (median)	
Top 50% of the IBOs	\$3,295 (average) and \$539 (median)	

## What are recognition levels and what are the annual earnings by recognition levels in 2024?

The Amway IBO Compensation Plan recognizes IBOs whose personal and downline volume achieve certain monthly or annual levels. To achieve Silver level, IBOs must have had at least one month in a performance year where their personal and downline volume qualify them to

receive a 25% performance bonus on their personal volume. IBOs who are Gold, Platinum and Founders Platinum have additional requirements.

A small number of IBOs achieve higher levels of recognition and earnings. These results are not typical and not guaranteed, and they require skill, hard work and dedication.

Level	Average Years to Reach Level	% of All IBOs at this Level	Average Annual Earnings
Founders Platinum	3-14	0.54%	\$46,423
Platinum	2-12	0.17%	\$22,928
Gold	2-12	0.11%	\$15,742
Silver	1-12	0.22%	\$11,720

Average Annual Earnings Before Expenses of Amway IBOs by Recognition (Pin) Level

### **Cancelling Your IBO Registration and Getting Refunds**

- You can cancel your IBO registration with Amway at any time.
- You can return any unused, currently marketable products for a refund, subject to limitations. See Rule 4.10 of the <u>Rules of Conduct</u> for more information.