# Amway 2024 Canada 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 Canadian IBOs in 2024.

### No Cost to Register; Cost to Renew

First-Year Registration Costs	Annual Renewal Costs
\$0	CA\$68 + optional CA\$20

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

- Amway provides complimentary registration (valued at CA\$68) 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 CA\$20). 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 CA\$68 to renew your Amway registration and CA\$20 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 was the typical income in 2024?

For the calendar year 2024, many IBOs in Canada had no reported sales, did not sponsor another IBO, and did not earn any compensation from Amway. Of those IBOs in Canada who, in 2024, received a payment from Amway in one or more months, here is what they annually earned before expenses:

- Typical IBOs in Canada earned **up to CA\$1,000 before expenses** depending on their level of activity.
- On average, the top 10% earned CA\$14,447 and the top 50% earned CA\$3,377 during 2024.

#### 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 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.

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

Level	Average Years to Reach Level	% of All IBOs at this Level	Average Annual Earnings
Founders Platinum	3-11	0.53%	CA\$59,872
Platinum	2-11	0.14%	CA\$24,982
Gold	1–14	0.08%	CA\$18,375
Silver	1-11	0.30%	CA\$14,260

## 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.