

NU SKIN SOUTHEAST ASIA REGIONAL* 2018

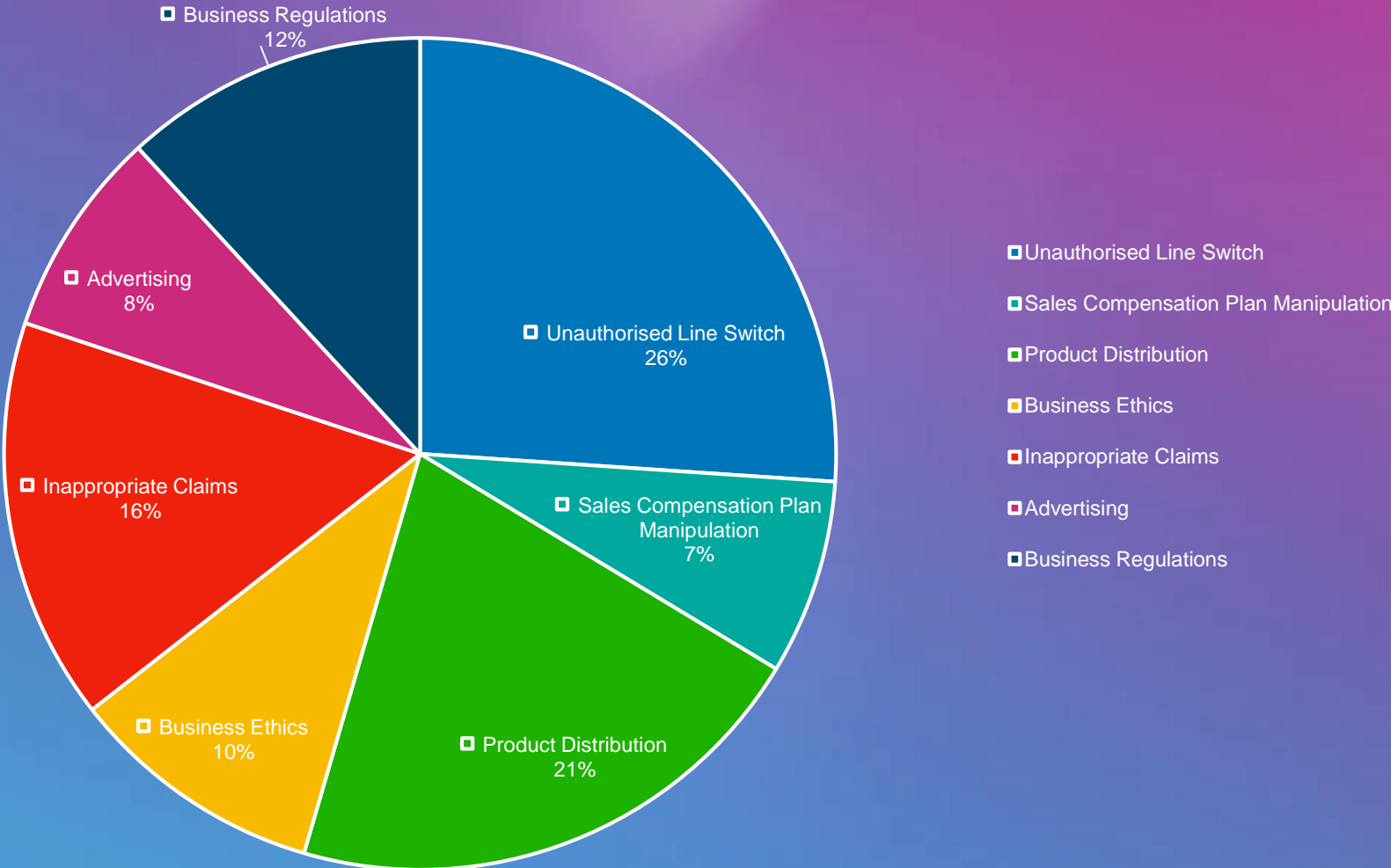
Brand Affiliate Compliance Summary

**For the purpose of this document, "Southeast Asia" or "SEA" refers to Singapore, Malaysia, Brunei, Philippines, Indonesia, Thailand excluding Vietnam*



NU SKIN SOUTHEAST ASIA (“SEA”) REGIONAL *2018 Brand Affiliate Compliance Summary*

TOTAL BRAND AFFILIATE VIOLATION BY TYPE*



*For the purpose of this document, certain violations have been combined in order to provide a comprehensive summary.



NU SKIN SEA REGIONAL

2018 Brand Affiliate Compliance Summary

This compliance information is provided by Nu Skin International Inc. (“Nu Skin”). The following summary contains remedial measures imposed by the Compliance Review Committee (“CRC”) for violations reported between January and December 2018.

Total number of SEA Brand Affiliates with violations: 141

TITLES AFFECTED

Brand Affiliate: 90

Brand Representative: 18

Brand Partner: 9

Senior Brand Partner: 9

Executive Brand Partner: 6

Brand Director: 4

Senior Brand Director: 2

Executive Brand Director: 1

Other: 2

REMEDIAL MEASURES IMPOSED*

Education/Warning Call or Letter: 23

Merge/Move: 51

Withholding (10%-100%): 27

Termination: 34

Probation: 46

Holds: 41

Other: 5

No Action: 1

**One Brand Affiliate may incur multiple remedial measures*



NU SKIN SEA REGIONAL

2018 Brand Affiliate Compliance Summary

Nu Skin is committed to operating its business in compliance with applicable laws and regulations, and to protecting consumers and customers alike. The Company is also committed to ensuring that its Independent Brand Affiliates act in a similar manner. The company believes that an effective compliance program should focus on five key areas:

- *Company Policies and Procedures*
- *Education and training*
- *Monitoring compliance*
- *Remedial measures*
- *Evaluation and oversight*



NU SKIN SEA REGIONAL

2018 Brand Affiliate Compliance Summary

The Company established the CRC to review and monitor Brand Affiliate activities. The CRC meets on a regular basis and is managed by the Vice President of Global Compliance. The CRC is also comprised of several members of senior level management. The purpose of the CRC is as follows:

- ***Develop and maintain policies related to Brand Affiliate compliance and supervision.** At this time, Nu Skin SEA is particularly focused on inappropriate claims, product diversion, and educating Brand Affiliates on appropriate sponsoring practices.*
- ***Educate and train Brand Affiliates** on how to build a healthy, long-term business.*
- *Nu Skin SEA and Brand Affiliates can alike enhance the company's reputation by **demonstrating an unwavering commitment** to comply with applicable law.*
- ***Enforce the terms and conditions** of the Brand Affiliate Agreement, including the Policies and Procedures and Sales Compensation Plan.*



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