

## I. Statement on Climate Change

Climate change is one of the greatest challenges that will directly affect business, society and ecosystems. There is alarming scientific evidence that global temperature will continue to rise largely due to greenhouse gases (GHG) produced by natural occurrence and human activities through deforestation, large scale agriculture and industrialization. In October 2018, the [Intergovernmental Panel on Climate Change \(IPCC\)](#) issued a special report on the impacts of global warming of 1.5°C above pre-industrial levels and that limiting temperature increase to 1.5°C above pre-industrial level would require unprecedented transformational changes in every aspects of society, including business sector. There is a call to commit to reach net zero emission by 2050.

GHG emission reduction is important because climate change presents risk to Herbalife Nutrition's business and communities where we operate. Climate change could have impact on the quantity and quality of agricultural raw materials available for our products, create weather patterns that affect the operations of our facilities and supply chain, and affect the availability and quality of water. Herbalife Nutrition supports the long-term goal of sustainable development and we are committed to doing our part to reduce GHG emissions across our value chain to limit global warming to 1.5°C. Our pursuit of other sustainability priorities such as packaging, responsible sourcing, food waste can also impact GHG emissions, and relevant goals for these priorities are available in the [Environmental Sustainability Statement](#).

## II. Governance

A Board level ESG Committee has responsibility to oversee the Climate Change.

## III. Greenhouse gas (GHG) emission reduction

We are setting up an infrastructure to collect and report our annual GHG emissions. This will enable us to set science-based targets to reduce GHG emission by reviewing our value chain (operations, packaging, agriculture, third party transportation and distribution). Once our evaluation is complete, we will set short- and mid-term targets for our operations (scope 1 and 2) and across our value chain (scope 3) that are in line with the reductions that are required to meet the IPCC goal.

### **GHG Emission Reduction Targets:**

- We are committed to achieve zero net emissions by 2050 in our factories, warehouses and offices and improving efficiency in our manufacturing operations. We will also launch products using more climate-friendly packaging materials.
- In 2021 we plan to sign the UN Global Compact [Business Ambition for 1.5°C](#), which requires us to develop and publish science-based targets within 24 months of signing the commitment letter.
- We continue to invest in measures which provide both environmental and cost savings benefits by reducing energy consumption These include systems for steam condensate heat recovery, efficient use of air conditioning cooling water, more efficient mobile air compressors, LED lighting, and solar powered streetlamps.