

# ESG Scorecard

July 2023



# Commitment

## Sustainability Reporting

Herbalife is committed to disclosing our goals, progress and position statements as we continue to embed sustainability into our company culture, day-to-day operations and long-term growth strategy. We make sustainability-related metrics available in our biannual Global Sustainability Report. Our inaugural 2020 Global Sustainability Report was released in October 2021.

## United Nations Sustainable Development Goals (UNSDGs)

We are committed to sustainable and integrated business practices and products that improve the health and well-being of people, communities and the planet. We will continue to support global efforts to advance sustainability, including aligning our strategy with the United Nations Sustainable Development Goals and targets, specifically Goal 1 (No poverty), Goal 2 (Zero hunger), Goal 3 (Good health and well-being), Goal 4 (Quality education), Goal 5 (Gender equality), Goal 6 (Clean water and sanitation), Goal 7 (Affordable and clean energy), Goal 8 (Decent work and economic growth), Goal 10 (Reduced inequalities), Goal 11 (Sustainable cities and communities), Goal 12 (Responsible consumption and production), Goal 13 (Climate action), Goal 15 (Life on land), and Goal 17 (Partnership for the Goals). Please find various initiatives and programs that are aimed at the targeted goals in our Global Sustainability Report.

## UN Global Compact

Herbalife has been a signatory member of the UN Global Compact since 2020.





# Business Ethics

## Code of Conduct

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Acting ethically and responsibly and following our Code of Conduct is fundamental to doing business the right way. For more information, please see our [Code of Conduct](#).

## Grievance Mechanism

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Herbalife provides several ways for all stakeholders – employees, contractors, distributors, customers, vendors or members of the public – to report any misconduct, suspected violations of law or possible breaches of our Herbalife Code of Conduct, as well as other related company policies and procedures, without fear of retaliation. These include toll-free phone, online, email reporting, and SMS/text messaging (U.S. only), all available 24/7. Employees are trained to report any concerns and can make reports anonymously where permitted by law. We do not tolerate retaliation against employees who report ethics or legal violations. For detailed information on different methods to report, please visit our [Ethics and Compliance](#) webpage.

## GRI

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2-23, 205-2

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2-25

# Governance

## Diversity Considered during Director Nomination

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The Board believes that the Board, as a whole, should possess a combination of skills, professional experience and diversity of backgrounds necessary to oversee the company's business and strategy. In addition, the Board believes that there are certain attributes that every director should possess, as reflected in the Board's membership criteria. Accordingly, the Board and the Board's Nominating and Corporate Governance Committee consider the qualifications of directors and director candidates individually and in the broader context of the Board's overall composition, as well as the company's current and future needs. The Board's criteria include business experience and skills, independence, judgment, integrity, the ability to commit sufficient time and attention to Board activities and the absence of potential conflicts with the company's interests. The Nominating and Corporate Governance Committee seeks a variety of occupational, educational and personal backgrounds in order to obtain a range of viewpoints and perspectives and to enhance the diversity of the Board as a group in areas including professional experience, geography, race, gender, ethnicity and age.

## Board Oversight of ESG

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The Board's ESG Committee provides Board oversight on the company's significant environmental, social and related governance activities and practices, including policies, programs and practices, strategy, stakeholder engagement and risks. For more information, please see the [ESG Committee Charter](#).

## Executive Responsibility over ESG

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Herbalife's Executive Committee, made up of the CEO, the CEO's direct reports and top functional leaders, have assumed oversight of the sustainability agenda. The Executive Committee provides executive direction and ensures integration of Global Sustainability goals across functional and regional strategies.

# Governance

## Business Ethics

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Employees Completing Training on Code of Conduct	100% of required employees	100% of required employees	100% of required employees	100% of required employees	Global	205-2	
Total Number of Substantiated, Breached Cases Against the Code of Conduct related to Customer Privacy Data	0	2022 is the first year this metric is reported.			Global	205-3, 418-1	
Total Number of Substantiated, Breached Cases Against the Code of Conduct related to Money Laundering or Insider Trading	0	2022 is the first year this metric is reported.			Global	205-3	

# Governance

## Corporate Governance (Herbalife Board of Directors)

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Number of Directors	10	9	13	14	Figures are as of the Herbalife annual general meeting of shareholders in the applicable year		
Number of Independent Directors	7	6	10	11	Figures are as of the Herbalife annual general meeting of shareholders in the applicable year		
Chair/CEO Role	Combined	Combined	Combined	Combined	Figures are as of the Herbalife annual general meeting of shareholders in the applicable year		
Number of Women on Board	3	2	2	2	Figures are as of the Herbalife annual general meeting of shareholders in the applicable year	405-1	
Number of Diverse Board Members by Race or Ethnicity	4	4	6	5	Figures are as of the Herbalife annual general meeting of shareholders in the applicable year	405-1	

# Governance

## Cybersecurity/ Data Security & Privacy

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Number of Substantiated Complaints Received Concerning Breaches of Customer Privacy from Outside Party	0	2022 is the first year this metric is reported.			Global	418-1	
Total Number of Substantiated Complaints Received Concerning Breaches of Customer Privacy from Regulatory Bodies	0	2022 is the first year this metric is reported.			Global	418-1	

# Governance

## Customer and Distributor Satisfaction

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Product Return and Buyback Requests	0.1	0.1	0.1	0.1	Global <sup>2</sup>		
Customer Satisfaction Through Tracking Study	93%	95%	2021 is the first year this metric is reported.		Top 10 markets based on Volume Points and strategic importance <sup>3</sup>		



# Product Quality and Safety

## Chemical of Concern in Products

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At Herbalife, we do not include chemicals of hazard to human health in our products. We have a product lifecycle management process involving ingredient identification, hazard characterization, product exposure assessment and post-market risk assessment.

## Genetically Modified (GM) Ingredients

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Herbalife is committed to providing our customers with choice and continuously offering non-GM alternatives where there is demand and feasibility. For more information, please see the [Bioengineered Ingredients Statement](#).

# Product Marketing, Labeling and Claims

## Responsible Marketing Policy

In our corporate materials, Herbalife does not advertise products or services to children under the age of 12 years. For more information, please see the Marketing Communications to Children Policy.

## GRI

2-23

## Product Labeling and Claims Policy

Herbalife commits to providing fact-based and easy-to-understand information on product labels, which informs our consumers’ choices for a healthy diet and lifestyle. We also commit to making only adequately substantiated claims on our product labels, other collateral and in advertising. For more information, please see the Product Labeling and Claims Policy.

417-1

# Animal Testing

## Animal Testing Policy

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For our topical skin and hair care products, Herbalife does not conduct any animal testing. For ingestible products, Herbalife also does not conduct any animal testing except when required by applicable laws and regulations and no other alternative method is available. For more information, please see the [Animal Testing Policy](#).

# Product

## Product Quality and Safety

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Percent of Herbalife Innovation Manufacturing (HIM) Facilities Certified by Third Party for Good Manufacturing Practice (GMP)	100%	100%	100%	80%	HIM facilities		
Percent of Owned Laboratories ISO 17025 Accredited	100%	100%	100%	100%	Global		
Third-Party Certification or Testing of Sports Nutrition Products for Banned Substances	100%	100%	100%	100%	Global		
Percent of Required Employees Receiving GMP Training	100%	100%	100%	100%	Global		
Product Recalls <sup>h</sup>	2	0	0	1	Global		FB-PF-250a.4
Plant-Based Protein Usage	77%	81%	84%	87%	Global		

# Social

## Non-Discrimination Policy

Our [Code of Conduct](#) and Harassment, Discrimination, and Retaliation Prevention Policy prohibit harassment, discrimination and retaliation based on race, color, religion, sex, sexual orientation, gender, gender identity, gender expression, marital status, national origin, citizenship, ancestry, age, veteran status, disability and any other basis protected by law, ordinance or regulation.

## Freedom of Association and Collective Bargaining

Herbalife recognizes employees’ rights to freedom of association and collective bargaining. For more on Freedom of Association and Collective Bargaining, please visit [Human Rights Policy](#).

## Health & Safety Policy

Herbalife has policies and programs for material health and safety risks for our employees and customers, including Workplace Violence Prevention Policy, Injury & Illness Prevention Program and Adverse Event Surveillance and Reporting Policy. In 2020, Herbalife Innovation & Manufacturing facilities located in Lake Forest, California and Winston Salem, North Carolina were certified for the Occupational Health and Safety Management System (ISO 45001:2018).

## GRI

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2-23, 2-30

403-1



# Social

## Human Rights Policy

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At Herbalife, our first and most important value is to always do what is right. Our values are rooted in respect for the human rights of everyone we work with. For more information, please see the [Human Rights Policy](#).

## Political Activity and Contribution Statement

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Herbalife participates in public policymaking by sharing our expertise and informing government officials about our positions on issues that are important to the Company, our independent distributors and customers. The Company makes contributions to political parties, organizations, committees or candidates using Company resources (including monetary and in-kind services) only when permitted under applicable local and international laws, as well as internal procedures. For more information, please see [Political Activity and Contribution Statement](#).

# Social

## Workforce

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Number of Employees	10,350 <sup>5</sup>	11,047	10,022	9,611	Global <sup>6</sup>	2-7	
Total Number of Women in Workforce	5,316 <sup>5</sup>	2022 is the first year this metric is reported.			Global	102-8	
Percent of Women in Workforce	51% <sup>5</sup>	51%	51%	51%	Global	405-1	
Total Number of Women in Management (Manager and Up)	1,116 <sup>5</sup>	2022 is the first year this metric is reported.			Global	102-8	
Percent of Women in Management (Manager and Up)	45% <sup>5</sup>	44%	45%	45%	Global	405-1	
Total Number of Women in Executive Management (Vice President and Up)	46 <sup>5</sup>	2022 is the first year this metric is reported.			Global	102-8	
Percent of Women in Executive Management (Vice President and Up)	29% <sup>5</sup>	28% <sup>5</sup>	30%	34%	Global	405-1	

# Social

## Workforce

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Number of Racial or Ethnic Minorities in Workforce	1,982 <sup>5</sup>	2022 is the first year this metric is reported.					
Percent of Racial or Ethnic Minorities in Workforce	71% <sup>5</sup>	72%	72%	72%	U.S.	405-1	
Total Number of Racial or Ethnic Minorities in Management (Managers and Up)	472 <sup>5</sup>	2022 is the first year this metric is reported.			U.S.		
Percent of Racial or Ethnic Minorities in Management (Managers and Up)	56% <sup>5</sup>	56%	57%	56%	U.S.	405-1	
Percent of Employees Covered by Collective Bargaining	0%	0%	0%	0%	U.S.	2-30	
Average Hours per FTE of Training and Development <sup>7</sup>	11.4	12.2	8.2	2020 is the first year this metric is reported.	Global	404-1	
Employee Turnover Rate (Voluntary/Total)	13.89%/18.57%	12.27%/15.37%	8.20%/12.91%	10.51%/14.15%	Global	401-1	
Total Number of New Hires	372	776	715	882	U.S.	401-1	

# Social

## Workforce

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Employee Engagement Survey	In 2022, we conducted a Return to Office Survey in Q2, a Global Engagement Pulse Survey in Q3, and in Q4 completed development of our 30-day and 90-day onboarding surveys.	In 2021, we conducted a Return to Office Survey in Q2, a Global Engagement Pulse Survey in Q3, and in Q4 completed development of our 30-day and 90-day onboarding surveys.	In 2020, we conducted a global employee engagement survey and launched a new global process to administer more frequent “pulse” surveys.	2020 is the first year this metric is reported.	Global		
Employee Engagement Score (Overall Perception of the Company and Job Satisfaction) Based on an Employee Survey	79	81	82	2020 is the first year this metric is reported.	Global		

# Social

## Health and Safety

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Lost Time Incident Rate	0.44	0.38	0.52	0.50	Global <sup>8</sup>	403-9	
Total Reportable Incident Rate	1.54	1.15	2.04 <sup>9</sup>	2.09 <sup>9</sup>	Global <sup>8</sup>	403-9	
Fatalities – Employees	0	2022 is the first year this metric is reported.			Global <sup>8</sup>	403-9	
Fatalities – Contractors (HLF-operated sites only)	0	2022 is the first year this metric is reported.			Global <sup>8, 10</sup>	403-9	



# Social

## Public Policy

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
U.S. Political Action Committee (PAC) Contribution	\$59,500	\$67,000	\$105,900	\$92,500	U.S.	415-1	

# Social

## Community

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Charitable Contributions	\$4,740,522	\$4,371,526	\$7,476,366	\$4,044,709	Global		
Employee Volunteer Hours	5,448	5,400	1,610 (U.S.) <sup>11</sup>	16,760	Global unless specified		
In-Kind Contributions	\$659,264	\$2,691,770	\$2,046,204	\$779,650	Global		

# Environmental

## Environmental Sustainability Statement

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At Herbalife, we are passionate about protecting the future of our planet by making the right choices in an environment where natural resources are constrained. We are committed to complying with all applicable legal environmental requirements and aspire to continuously improve our environmental performance. For more information, please see the Environmental Sustainability Statement.

## Climate Change Action Statement

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Climate change is one of the greatest challenges that will directly affect business, society and ecosystems. Herbalife is committed to doing our part to help mitigate climate change risks. For more information, please see the Climate Change Action Statement.

## Recyclability of Our Packaging by Customers

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We have several initiatives around the world that aim to increase awareness, education and opportunities for recycling and upcycling – giving used materials a second life by turning them into new items. We also work with regional NGOs, businesses and the waste sector to support local recycling programs. For more information, please see the Environmental Sustainability Statement.

## Supplier Code of Conduct

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Herbalife requires all suppliers to adhere to the Supplier Code of Conduct. This Code aligns with Herbalife's commitment to ethical conduct and requires suppliers to comply with all standards, laws and regulations that reflect human rights.

## SASB

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FB-PF-410a.1

# Environmental

## Environmental Violations

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Number of Violations of Legal Obligations/Regulations Where Significant Fines/Penalties were Paid (>\$10K USD)	0	2022 is the first year this metric is reported.			Global		
Total Amount of Fines/Penalties Related to Significant Environmental Violations	0	2022 is the first year this metric is reported.			Global		
Total Environmental Liability Accrued at Year End (USD)	0	2022 is the first year this metric is reported.			Global		

# Environmental

## Greenhouse Gas Emissions

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Scope 1 and 2 GHG Emissions (metric tons CO2e)	23,572 <sup>5</sup>	24,815 <sup>5</sup>	25,699	25,434	Global <sup>8</sup>	305-1, 305-2	
Scope 1 GHG Emissions (metric tons CO2e)	6,305 <sup>5</sup>	7,877 <sup>5</sup>	7,535	7,090	Global <sup>8</sup>	305-1	
Scope 2 GHG Emissions (metric tons CO2e)	17,267 <sup>5</sup>	16,939 <sup>5</sup>	18,164	18,344	Global <sup>8</sup>	305-2	



# Environmental

## Energy Use

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Energy (Electricity and Natural Gas) Use (GJ)	282,251 <sup>5</sup>	313,207 <sup>5</sup>	317,232	310,370	Global <sup>8</sup>	302-1	FB-PF-130a.1
Total Electricity Use (MWh)	43,206 <sup>5</sup>	43,542 <sup>5</sup>	46,544	47,095	Global <sup>8</sup>	302-1	
Total Natural Gas Use (MWh)	35,197 <sup>5</sup>	43,460 <sup>5</sup>	41,576	39,119	Global <sup>8</sup>	302-1	

# Environmental

## Water

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Water Withdrawal (cubic meters)	297,201	323,433 <sup>9</sup>	314,386 <sup>9</sup>	332,548 <sup>9</sup>	Global <sup>8</sup>	303-3	FB-PF-140a.1
Total Water Discharge (cubic meters)	226,628	191,423 <sup>9</sup>	193,434 <sup>9</sup>	163,902 <sup>9</sup>	Global <sup>8</sup>	303-4	
Total Water Consumption (cubic meters)	70,572	132,010 <sup>9</sup>	120,953 <sup>9</sup>	168,646 <sup>9</sup>	Global <sup>8</sup>	303-5	FB-PF-140a.1

# Environmental

## Operational Waste

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Waste Generated (metric tons)	1,383,035	1,679,523 <sup>9</sup>	2,106,361 <sup>9</sup>	1,594,962 <sup>9</sup>	Global <sup>8</sup>	306-3	
Total Non-Hazardous Waste Disposed (metric tons)	4,131	6,711 <sup>9</sup>	6,271 <sup>9</sup>	6,727 <sup>9</sup>	Global <sup>8</sup>	306-5	
Total Non-Hazardous Waste Landfilled (metric tons)	1,904	2,053 <sup>9</sup>	2,050 <sup>9</sup>	2,742 <sup>9</sup>	Global <sup>8</sup>	306-5	
Total Non-Hazardous Waste Incinerated with Energy Recovery (metric tons)	2,227	4,659 <sup>9</sup>	4,221 <sup>9</sup>	3,984 <sup>9</sup>	Global <sup>8</sup>	306-5	
Total Non-Hazardous Waste Recycled/Reused (metric tons)	1,378,748	1,672,782 <sup>9</sup>	2,100,064 <sup>9</sup>	1,588,207 <sup>9</sup>	Global <sup>8</sup>	306-4	
Total Hazardous Waste Generated (metric tons)	155	30	26	28	Global <sup>8</sup>		

# Environmental

## Packaging

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Rigid Plastic in Packaging (metric tons)	13,428 <sup>5</sup>	15,765 <sup>5</sup>	2021 is the first year this metric is reported.		Global		FB-PF-410a.1
Total Virgin Rigid Plastic in Packaging (metric tons)	13,096 <sup>5</sup>	15,510 <sup>5</sup>	2021 is the first year this metric is reported.		Global		
Percent of Recycled Content within Total Rigid Plastic Packaging	2.5% <sup>5</sup>	1.6% <sup>5</sup>	2021 is the first year this metric is reported.		Global	301-2	FB-PF-410a.1
Percent of Virgin Content within Total Rigid Plastic Packaging	97.5% <sup>5</sup>	2022 is the first year this metric is reported.					

# Supply Chain Management

ESG Data	2022	2021	2020	2019	Coverage <sup>1</sup>	GRI Standard	SASB Standard
Total Number of Tier-1 Suppliers	12,352	2022 is the first year this metric is reported.			Global		
Total Number of Significant Suppliers in Tier-1	55	2022 is the first year this metric is reported.			Global		FB-PF-410a.1

Percentage of Total Spend on Significant Suppliers in Tier-1	18%	2022 is the first year this metric is reported.	Global
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<sup>2</sup> 2020, 2021 and 2022 values are % of net sales; 2019 values are % product sales.

<sup>3</sup> Per our 2023 10-K, Volume Points are defined as our weighted-average measure of product sales volume.

<sup>4</sup> Herbalife defines a Product Recall as “the action taken to remove food from sale, distribution and consumption in consultation between a government authority and the manufacturer or distributor.”

<sup>5</sup> Verified by Apex, an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance.

<sup>7</sup> The training hour estimates do not account for certain trainings available in other platforms outside of the company's Learning Management System.

<sup>8</sup> HIM Sites and US-based offices and distribution centers with >40,000 sq. ft. occupancy for each respective year. In 2022, one additional facility was included in the reporting boundary.

<sup>11</sup> In 2018, Herbalife launched the Global Month of Purpose, a program dedicated to giving back to the community in the form of employees volunteering together globally in the month of February each year. Due to COVID-19 and non-profits reducing volunteer opportunities, the Company was not able to organize this global program in 2020.

This document includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our sustainability and social impact goals, targets, initiatives, commitments, and activities as well as our future operations and long-term strategy. These forward looking statements rely on a number of assumptions and estimates that could be inaccurate and which are subject to risks and uncertainties. All statements other than statements of historical or current facts, including statements regarding our environmental and other sustainability plans and goals, made in this document are forward-looking. We use words such as anticipates, believes, expects, future, intends, and similar expressions to identify forward-looking statements. Forward-looking statements reflect management's current expectations and are inherently uncertain. Actual results could differ materially for a variety of reasons. Risks and uncertainties that could cause our actual results to differ significantly from management's expectations are described in our most recent annual report on Form 10-K and subsequent SEC filings. We disclaim any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this report.