

Climate Change Action Statement

I. Statement on Climate Change

Climate change is one of the most critical challenges facing global business, society, and ecosystems. Scientific consensus, informed by the Intergovernmental Panel on Climate Change (IPCC), and underpinned by the Paris Climate Agreement, a global treaty under the United Nations Framework Convention on Climate Change (UNFCCC) aimed at limiting global temperature rise to well below 2°C, with efforts to limit it to 1.5°C above pre-industrial levels, demonstrates that greenhouse gas (GHG) emission reductions are required across all sectors of the economy.

We recognize that climate change poses tangible physical and transition risks to our global business and communities. These include potential disruptions to agricultural raw material availability and quality, operational and logistics impacts from acute and chronic severe weather events and evolving regulatory frameworks (such as the EU Corporate Sustainability Reporting Directive [CSRD] and state/national climate disclosure mandates).

As such, we are committed to doing our part to address climate change. Building on our 2021 aspiration to achieve net-zero GHG emissions across our value chain by 2050, we have established our comprehensive FY2025 GHG emissions baseline across Scopes 1, 2, and 3 and obtained limited assurance over it. This baseline is the quantitative foundation from which we intend to set science-aligned targets and develop a supporting decarbonization roadmap by 2028.

II. Governance & Oversight

Executive Management: The chief operating officer (COO) and the Sustainability Executive Steering Committee oversee strategy, day-to-day program implementation, resource allocation, and progress tracking against operational environmental goals.

Board Oversight: The Sustainability Committee of the board of directors assists the bBoard in overseeing strategy, environmental policies, sustainability strategy, public statements, regulatory compliance, and environmental risk management.

Environmental Sustainability Statement

III. Climate Risk Assessment & Scenario Analysis

In 2025, Herbalife conducted its first comprehensive enterprise climate scenario analysis, evaluating 50 critical facilities across five asset categories: contract manufacturing, distribution and warehousing, manufacturing, offices and data centers, and suppliers of raw materials.

The assessment evaluated physical climate hazards and transition risks across short-term (0–3 years), medium-term (3–10 years), and long-term (10–30 years) horizons under two distinct climate pathways:

- Low-carbon economy (LCE) pathway: A pathway in which environmental regulation and collective action limit the most significant physical impacts of climate change by keeping the global temperature increase below 2°C. Physical risks were assessed using the IPCC SSP1-RCP2.6 pathway; transition risks were informed by the NGFS Net Zero 2050 scenario and WBCSD Societal Transformation scenario, each aligned with 1.5°C warming.
- High-carbon economy (HCE) pathway: A pathway characterized by limited collective action on climate change and a greater degree of global warming. Physical risks were assessed using the IPCC SSP5-RCP8.5 pathway, aligned with 4°C+ warming by 2100; transition risks were informed by the NGFS Current Policies scenario and WBCSD Historic Trends scenario, each aligned with 3°C+ warming by 2100.

Insights from this scenario analysis now inform adjustments to our risk-management processes, investment priorities and operational strategies. We are actively assessing how climate-related risks and opportunities, particularly those related to regulatory shifts and market dynamics, may influence our longer-term resilience and our capacity to adjust our strategy and business model over the short-, medium- and long-term, including through our current and planned mitigation and adaptation actions.

Environmental Sustainability Statement

IV. Greenhouse Gas Accounting & Decarbonization Roadmap

Accounting Methodology & Independent Assurance: We measure and report our greenhouse gas footprint in accordance with the GHG Protocol Corporate Accounting and Reporting Standard under the operational control approach, utilizing IPCC AR6 Global Warming Potentials (GWPs). Our Scope 1, Scope 2 (location-based and market-based), and Scope 3 footprints undergo independent third-party assurance to maintain data integrity, investor-grade rigor, and the ability to accurately demonstrate future emission reductions.

Scopes 1 & 2 – Operational Efficiency: We continually pursue energy-efficiency improvements, equipment modernizations, and HVAC and lighting retrofits across our Herbalife Innovation and Manufacturing (HIM) facilities and offices, while evaluating renewable electricity procurement and fleet electrification opportunities.

Scope 3 – Value Chain Engagement: Value chain emissions represent the vast majority of our total carbon footprint, primarily driven by Purchased Goods and Services (including Forest, Land, and Agriculture / FLAG emissions from agricultural commodities), Upstream Transportation and Distribution, and End-of-Life packaging treatment. We actively engage our supply chain partners, co-manufacturers, and logistics providers to collaborate on improvements to primary data accuracy, the identification of decarbonization levers, and to advance sustainable agricultural and sourcing practices, together.

Target Setting Roadmap: Building on our comprehensive FY2025 baseline, we are developing science-aligned Scopes 1, 2 and 3 emissions reductions targets and supporting decarbonization action plans by 2028.

Cautionary Note Regarding Forward-Looking and Sustainability-Related Statements

Please see [here](#)