HERBALIFE NUTRITION

ESG Index (March 2021)

Financial Performance

		2020	2019	2018	2017
Finance Information		For the full year 2020, Herbalife Nutrition reported net sales of approximately $5.5 billion with growth in four of six regions and set a new full-year volume points record of 6.9 billion. For more information, see our Form 10-k and 2020 earnings press release.			

Governance

		2020	2019	2018	2017
Commitments	Sustainability Reporting	Our Corporate sustainability report following the Global Reporting Initiative (GRI) Standard is expected to be published in 2021.			
	Alignment with United Nations Sustainable Development Goals (UN SDGs)	Our corporate sustainability programs focus on good nutrition to help build thriving, vibrant communities around the world. We are dedicated to improving communities by aligning with targets outlined and categorized in the UN SDGs, specifically Goal 2 (Zero Hunger), Goal 3 (Good Health and Well-being), Goal 12 (Responsible Consumption and Production) and Goal 13 (Climate Action). For instance, in support of Goal 2 (Zero Hunger), we have launched a global initiative, Nutrition for Zero Hunger, which is aimed at tackling global hunger, food insecurity and malnutrition by prioritizing the role of nutrition in reaching these objectives. To provide nutritious food and supplements as well as nutrition education to communities around the world, we work with dedicated and knowledgeable nonprofit partners. We have various initiatives and programs that are aimed at the other targeted goals.			
	UN Global Compact	Herbalife Nutrition is a signatory member of the UN Global Compact.			
Business Ethics	Corporate Code of Business Conduct and Ethics	Acting ethically and responsibly and following our Corporate Code of Business Conduct and Ethics is fundamental to doing business the right way. For more information, please see Herbalife Nutrition Corporate Code of Business Conduct and Ethics.			
	Employees Completing Training on Business Ethics	100% of required employees	100% of required employees	100% of required employees	100% of required managers and above

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Business Ethics	Grievance Mechanism	The Company encourages all individuals to immediately report any concerns or suspected violation of this Policy, our values, Corporate Code of Business Conduct, global or local policies or the law. Employees may bring their complaint to their supervisor, any other supervisor at the Company, the Chief Compliance Officer, or a Human Resources Business Partner. We also offer several additional ways for our employees, as well as contractors, distributors, customers, vendors, or members of the general public to report concerns or suspected violations. Reports may be anonymous, except where restricted by local law. The Company prohibits and will not tolerate retaliation against any employee for making a good faith complaint or for participating in an investigation of such a complaint. Several different methods to report are available on our webpage.			
Corporate Governance	Number of Directors	13	14	14	13
	Number of Independent Directors	10	11	11	10
	Chair/CEO Role	Combined	Combined	Separate	Combined
	Number of Women on Board	2	2	2	1
	Number of Diverse Board Members by Race or Ethnicity	6	5	5	4
	Diversity Considered during Director Nomination	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. In addition, the Board believes that there are certain attributes that every director should possess, as reflected in the Board's membership criteria discussed hereunder. 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 criteria are considered in the context of the perceived needs of the Board as a whole and seeks to achieve a diversity of occupational and personal backgrounds on the Board, including professional experience, geography, race, gender, ethnicity, and age. Accordingly, the Board and the 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.			
Governance of Sustainability	Board Oversight of ESG	Herbalife Nutrition Board of Directors formed the ESG Committee in 2020 and appointed three Board members to it. The ESG Committee provides guidance and advises the Board on the Company's ESG-related strategies, initiatives, investments and policies. For the ESG Committee charter, please visit https://ir.herbalife.com/committee-details/esg.			

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Governance of Sustainability	ESG Executive Responsibility	The Herbalife Nutrition Executive Committee made up of the CEO, his direct reports and top functional leaders, have assumed oversight of the sustainability agenda. Sustainability is an accountability factor for every member of our senior leadership team and, in doing so, reflects the priority we place on developing and achieving our sustainability agenda.

Product

		2020	2019	2018	2017
Product Quality & Safety	Quality Management System	We manufacture products to the most demanding safety and quality standards in the industry. Our quality systems are created to ensure we are in full compliance with all government standards and regulations globally. We monitor our products, from raw material sourcing through manufacturing to distribution, following strict protocols to verify adherence to our global standards.			
	Percent of Owned Facilities Certified by Third Party for Good Manufacturing Practice (GMP)	100%	80%	60%	40%
	Percent of Owned Laboratories ISO 17025 Accredited[1]	100%	100%	100%	100%
	Third-party Certification or Testing of Sports Nutrition Products for Banned Substances	100%	100%	100%	100%
	Percent of Required Employees Receiving GMP Training	100%	100%	100%	100%
	Chemicals of Concern in Products	At Herbalife Nutrition, we do not include harmful chemicals in our products. We have a product lifecycle management involving ingredient identification, hazard characterization, product exposure assessment, post-market risk assessment, and risk management.			
	Product Recalls	0	1	0	2
	Plant-based Protein Usage	84%	87%	86%	89%
	Genetically Modified (GM) Ingredients	We commit to providing our customers with choice and continuously providing non-GM alternatives where there is demand and is feasible. For more information, please see the Bioengineered Ingredients Statement.			

[1] ISO International Standard (ISO 17025) accreditation enables laboratories to demonstrate that they operate competently and generate valid results, thereby providing confidence in results and consistency in data in all Herbalife Nutrition laboratories globally.

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Animal Testing	Animal Testing Policy	Herbalife Nutrition does not test products on animals, except to satisfy legal obligations and regulatory bodies. For more information, please see the Animal Testing Policy.			
Product Lifecycle Impact	Responsible Marketing Policy	Herbalife Nutrition does not market its products to children. For more information, please see the Marketing to Children Policy.			
	Product Labeling and Claims Policy	We commit 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.			
	Recycled Materials Use	In 2021, we started to incorporate 25% post-consumer resin (PCR) into our product packaging for our flagship product (Formula 1 Healthy Meal Nutritional Shake Mix) available in North America. We will expand to other regions in 2022. This change will remove more than 475 metric tons of plastic from production and waste stream. For more information, please see the Environmental Sustainability Statement.			
	Recyclability of our Packaging by Customers	Each region has recycling programs ranging from awareness and education campaigns for recycling and upcycling to creating collection sites in our warehouses for our distributors, members, and customers. Local recycling organizations pick up recycled materials from these collection sites. For more information, please see the Environmental Sustainability Statement.			
Customer and Distributor Satisfaction	Customer and Distributor Satisfaction Survey	We conduct annual surveys among customers to understand their satisfaction with their experience in our top 10 markets. We also conduct, at multiple key touchpoints, a pulse survey to measure satisfaction of our customers and distributors using a net promoter scoring system regarding our member-facing websites, member services programs, and refund and repurchase call centers in US			
	Product Return and Buyback Requests (% of product sales)	0.1[2]	0.1	0.1	0.1

[2] On the 2020 10-K, we are reporting % of net sales.

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Social

		2020	2019	2018	2017
Workforce	Total Number of Employees (Regular and Temporary)	10022	9611	9037	8364
	Training & Development Programs	**All employees:** Launched new LinkedIn Learning online training program (16,000+ courses available); Received access to newly rebranded internal learning management system; Launched new performance management coaching tool; Received continued access to professional development training, onboarding curriculum, and department technical / compliance training; scheduled to complete annual Code of Ethics and Harassment Prevention trainings. **For leaders:** Launched new mentoring program; Received continued access to Servant Leadership and leadership development trainings.	**All employees:** Received continued access to internal learning management system, performance management training, professional development training, onboarding curriculum, department technical / compliance training and training on the Company's Code of Ethics. **For leaders:** Launched new Servant Leadership training; Received continued access to General Management and leadership development trainings.	**All employees:** Received continued access to internal learning management system, performance management training, professional development training, onboarding curriculum, and department technical / compliance training. Completed Harassment Prevention training. Starting in 2018, training on the Company's Code of Ethics required for all employees annually. **For leaders:** Received continued access to general management and leadership development trainings.	**All employees:** Received continued access to internal learning management system, performance management training, professional development training, onboarding curriculum, department technical / compliance training. **For leaders:** Received compliance training on the Company's Code of Ethics and continued access to general management and leadership development trainings.

Workforce	Employee Engagement Survey	In 2017 and 2018, we conducted annual employee engagement surveys for all employees outside of our Corporate functions and North America. In 2020, we conducted a global employee engagement survey and launched a new global process to administer more frequent “pulse” surveys.			
	Employee Turnover Rate (voluntary/total)	8.20%/12.91%	10.51%/14.15%	11.80%/15.46%	10.96%/15.52%
Health & Safety	Health & Safety Policy	Herbalife Nutrition 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 are certified for the Occupational Health and Safety Management System (ISO 45001:2018).			
	Lost Time Incident Rate[3]	0.52	0.50	0.41	0.47
	Total Reportable Incident Rate[3]	1.52	1.59	1.42	1.59
Diversity & Inclusion	Non-Discrimination Policy	Our Corporate Code of Business Conduct and Ethics 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 or any other basis protected by applicable federal, state, or local law or ordinance or regulation.			
	Percent of Women in Workforce	51%	51%	50%	50%
	Percent of Women in Executive Management (vice president and up)	30%	34%	30%	28%
	Percent of Women in Management (manager and up)	45%	45%	46%	46%
	Percent of Racial or Ethnic Minorities in Workforce	72% (U.S.)	72% (U.S.)	71% (U.S.)	71% (U.S.)
	Percent of Racial or Ethnic Minorities in Management (manager and up)	57% (U.S.)	56% (U.S.)	55% (U.S.)	53% (U.S.)
Human Rights	Freedom of Association and Collective Bargaining	Herbalife Nutrition recognizes employees’ rights to freedom of association and collective bargaining. For more on Freedom of Association and Collective Bargaining, please visit Human Rights Policy.			
	Human Rights Policy	At Herbalife Nutrition, 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.			
	Percent of Employees Covered by Collective Bargaining Agreements	0% (U.S.)	0% (U.S.)	0% (U.S.)	0% (U.S.)

[3] Data covers five Herbalife Innovation & Manufacturing (HIM) facilities and other facilities and offices with > 50,000 sq ft occupancy.

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Public Policy	Political Activity and Contribution Policy	Herbalife Nutrition participates in public policymaking by informing government officials about our positions on issues that are important to the Company, our members and customers. In the U.S., Herbalife Nutrition maintains a political action committee (PAC) that is registered with the U.S. Federal Election Commission. For more information, please see the Political Activity and Contribution Policy.			
	U.S. Political Action Committee (PAC) Contribution Disclosures	$105,900.00	$92,500.00	$128,969.86	$128,500.00
Community	Charitable Contributions in Cash	$7,476,366	$4,044,709	$5,913,732	$2,080,090
	Employee Volunteer Hours	1,610 (U.S.)[4]	16,760	8,308	4,817 (U.S.)
	In-Kind Contributions	$2,046,204	$779,650	$629,216 (U.S.)	$500,000 (U.S.)

Environmental

		2020	2019	2018	2017
Environmental Management	Environmental Sustainability Statement	At Herbalife Nutrition, we are passionate about protecting the future of our planet by making the right choices in an environment where natural resources are constrained. Our commitment to environmental sustainability is at the core of our values and critical to the promise we make to our distributors and consumers who all care about how their food is grown and produced. We are committed to full compliance with all applicable legal environmental requirements and to achieve internal objectives. For more information, please see the Environmental Sustainability Statement.			
Greenhouse Gas Emission	Climate Change Action Statement	Climate change is one of the greatest challenges that will directly affect business, society and ecosystems. Herbalife Nutrition is committed to doing our part to help mitigate climate change risks. 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 warning to 1.5°C. For more information, please see the Climate Change Action Statement.			
	Scope 1 GHG Emission (metric tons CO2e)[3]	7535	7090	6991	6925
	Scope 2 GHG Emission (metric tons CO2e)[3]	18164	18344	20023	19542
	GHG Emission Intensity by Production Volume (metric tons CO2e per metric ton of product)[5]	0.385	0.423	0.447	0.558

[3] Data covers five Herbalife Innovation & Manufacturing (HIM) facilities and other facilities and offices with > 50,000 sq ft occupancy.
[4] In 2018 Herbalife Nutrition 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.
[5] GHG Emission intensity is calculated based on the total GHG emission and production volumes from five Herbalife Innovation & Manufacturing (HIM) facilities.

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Energy Use	Total Energy Use (MWh)[3]	88120	86214	86794	83516
	Total Electricity Use (MWh)[3]	46544	47095	48221	45309
	Total Natural Gas Use (MWh)[3]	41576	39119	38573	38207
	Energy Conservation Measures[3]	Herbalife Nutrition has implemented various measures which provide both an environmental and cost savings benefit by reducing our consumption of energy. 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.			
Water Consumption	Total Water Withdrawal (megaliters)[3]	314	333	325	276
	Total Water Discharge (megaliters)[3]	193	164	120	131
	Water Conservation Measures	Herbalife Nutrition has implemented various water conservation measures in our offices and facilities, including installation of automatic handwashing and waterless urinal, using treated wastewater for cooling tower, conduction of ultra-high temperature cooling water to the plant cooling water system, reducing water in major cleans for powder blending by using power washers, and changing landscape to drought tolerant plants. For more information, please see the Environmental Sustainability Statement.			
Operational Waste	Total Waste Generated (metric tons)[3]	9682	11422	8671	7810
	Total Hazardous Waste (metric tons)[3]	26	28	28	41
	Total Waste Diverted or Recycled (metric tons)[3]	2997	3849	2501	2303
Supply Chain	Supplier Code of Conduct	Herbalife Nutrition is instituting a Supplier Code of Conduct for 100% of our business-critical direct suppliers. Our business-critical direct suppliers will be audited by third party auditor by the end of 2022. We plan to segment other suppliers into different tiers and update our commitment in due course.			

[3] Data covers five Herbalife Innovation & Manufacturing (HIM) facilities and other facilities and offices with > 50,000 sq ft occupancy.

This document includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. 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 2020 Annual Report on Form 10-K.

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