

Corporate Code of Business Conduct and Ethics

CODE OF BUSINESS CONDUCT AND ETHICS



Dear Herbalife Employee:

One of our Company's most valuable assets is its reputation. As Chief Executive Officer, I have promised to lead the Company with honor and the highest level of integrity and to strive to uphold the ethics and integrity of our employees and distributors. Maintaining this reputation is one of our most important jobs.

Our Corporate Code of Business Conduct and Ethics requires us to conduct our business consistent with our values and in accordance with applicable laws. It requires that we be responsive to the concerns of the communities in which we operate and exercise the highest degree of honesty and integrity in our dealings with others.

These guidelines are intended to help each of us understand our responsibilities and make the right choices. They are also meant to stimulate awareness of ethical issues that we may encounter in our daily business activities. Doing the right thing begins with basic honesty and integrity. More than ever, it also depends on our good judgment and sensitivity to the way others see us and how they may interpret our actions.

Each of us is responsible for Herbalife's reputation. I am confident that you will join me in maintaining the honesty and integrity in our business activity that has made Herbalife not only an industry leader, but also a place where we can be proud to work.

Sincerely,

A handwritten signature in black ink, appearing to read 'MOJ', with a large, stylized flourish at the end.

Michael O. Johnson
Chairman and Chief Executive Officer



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The shareholders of Herbalife, Ltd. ("Herbalife" or the "Company") require that the Company, its affiliates and subsidiaries, directors, officers, employees, and representatives operate at the highest ethical standards and conduct business with the utmost integrity.

Accordingly, the Board of Directors of Herbalife, Ltd. has formalized the company's core principles and values into the following Code of Business Conduct and Ethics.



This Code of Business Conduct and Ethics governs the conduct of Company directors, officers, employees, and representatives and provides guidelines for resolving certain issues that may arise during the course of conducting the Company's business.

The Code of Business Conduct and Ethics covers the following topics:

- I. Personal Conduct Required of Company Directors, Officers, Employee, and Representatives
- II. Protection of Company Assets
- III. Conduct of Business
- IV. Conflicts of Interest
- V. Corporate Opportunities
- VI. Insider Trading
- VII. Public Service and Political Life

If a situation arises that is not specifically covered in this Code of Business Conduct and Ethics, or if you have a question about how to interpret or apply the Code of Business Conduct and Ethics — or any procedures published by the Company — you should consult with your Manager, the Human Resources Department, the Legal Department or the Internal Audit Department for clarification.

The Company's senior management is generally responsible for the enforcement of this Code of Business Conduct and Ethics relating to officers and employees. The Corporate Governance and Nominating Committee of the Board (or its designee) are generally responsible for enforcement of the Code relating to members of the Board. The Corporate Governance and Nominating Committee may designate one or more of its members or the full Board, as it deems appropriate, to handle the enforcement of a particular Code provision as it applies to Members of the Board.

It is our policy that waivers of this Code of Business Conduct and Ethics will not be granted except in very limited circumstances. Any waivers of this Code of Business Conduct and Ethics for our directors and executive officers may only be made by the Board or the Corporate Governance and Nominating Committee after disclosure of all material facts by the individual seeking the waiver and will be promptly disclosed as required by law or New York Stock Exchange listing standards. Any waivers for other

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individuals may only be granted by the Company's General Counsel after disclosure of all material facts by the individual seeking the waiver.

Where violations of this Code of Business Conduct and Ethics are determined to exist, appropriate corrective and disciplinary action will be taken, which may include one or more of the following measures, as applicable: (i) counseling; (ii) a warning; (iii) a reprimand noted in the employee's personnel file; (iv) probation; (v) change, including reassignment, job responsibilities, authority and/or title; (vi) temporary suspension, with or without pay; (vii) termination of employment or other relationship with the Company; (viii) removal as a director or officer; (ix) reimbursement to the Company of losses or damages resulting from the violation; or (x) referral for criminal prosecution or civil action.

I. PERSONAL CONDUCT REQUIRED OF COMPANY DIRECTORS, OFFICERS, EMPLOYEES AND REPRESENTATIVES

A. REPORTING UNETHICAL SITUATIONS

If you know of or suspect any unlawful or unethical situation, or know of or suspect a violation of any provision of this Code of Business Conduct and Ethics, you must immediately report whatever you know to your Manager or the Legal Department by Hotline or by Internet. Your report can be anonymous, or you can provide contact information. However, if you reside in the EU, your report will be treated in a confidential manner as opposed to anonymous. All such reports will be treated in a confidential manner, except where disclosure is required to investigate the matter or by law, rule, or regulation or legal process. The company will not tolerate any retaliation, or any threat of retaliation, against you for making such a report.

An unlawful or unethical situation may be reported in any of the following ways:

1. Call our confidential hotline toll-free at (1.800.774.4420);
2. Contacting the company's General Counsel by mail at 800 West Olympic Boulevard, Suite 406, Los Angeles, CA 90015; or
3. Internet reporting: <http://herbalife.silentwhistle.com/ethfeedback/index.jsp>

The appropriate Company representative will promptly investigate your report and you will be informed of the investigation's results if you have provided contact information.

B. PERSONAL CONDUCT

The Company's reputation for integrity and business ethics can never be taken for granted. To maintain that reputation, you must personally operate with the highest ethical standards and always exercise good judgment in your business decisions and

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actions. Every employee, officer and director must endeavor to deal fairly with the Company's customers, suppliers, competitors and employees.

C. WORK ENVIRONMENT

The Company is committed to maintaining a healthy, safe and productive work environment free from discrimination or harassment based on race, color, religion, gender, sexual orientation, age, national origin, disability, or other factors that are unrelated to Company's business interests.

The Company will not tolerate sexual advances, actions or comments, or racial or religious slurs, jokes or comments, or any other comments or conduct in the workplace that create, encourage or permit an offensive, intimidating or inappropriate work environment.

D. EMPLOYEE PRIVACY

The Company collects and retains personal information relating to your employment, including medical and benefit information. Access to such information is restricted to certain people authorized to know on a need basis. Individuals who have access to such personal information must ensure that the information is not disclosed in violation of the Company's policies or practices.

II. PROTECTION OF COMPANY ASSETS

You are personally responsible for protecting the Company's property entrusted to you and, more generally, for protecting the Company's assets and ensuring their efficient use.

Herbalife's assets include: physical assets, such as equipment, systems, facilities, corporate charge cards and supplies; information and communication systems (see the Electronic Information Security Policy); and proprietary information, including databases, copyrights, patents, and other intellectual property and legal rights. All Company assets should be used only for legitimate business purposes.

A. PROPRIETARY INFORMATION

Employees, officers and directors must maintain the confidentiality of information entrusted to them by the Company or its customers, except when disclosure is authorized by the Legal Department or legally mandated.

If you are an employee, you signed an agreement when you joined the Company, under which you assumed specific obligations relating to intellectual property as well as the treatment of confidential and proprietary information. Among other things in the agreement, you assigned to the Company all of your right, title, and interest in

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intellectual property you develop when you are employed in certain capacities, such as a managerial, technical, product planning, programming, scientific or other professional capacity.

If an employee leaves the Company for any reason, including retirement, he or she must return all Company property, including documents and media containing the Company's proprietary information, and may not disclose or use the Company's proprietary information in any way. Also, the Company's ownership of any intellectual property that an employee created while a Company employee continues after the employee leaves the Company.

B. DISCLOSURE

Newspapers, TV and radio reporters, consultants, securities analysts, competitors, and governmental organizations monitor the Company's business activities closely.

You should not initiate contact with these individuals or respond to their inquiries without authorization. If you are approached for information or asked questions by these types of individuals, please decline to comment and report their name and contact information to your Manager, the Corporate Communications Department, Investor Relations Department or the Legal Department in compliance with the Company's Analyst and Investor Relations Policy.

C. PUBLICITY AND MEDIA CONTACT

Every employee deals with business information of some kind and submits it to the Company for recording purposes. For example: a formulator fills out a product test report; a marketing representative reports orders; an accountant records revenues and costs, and a specialist prepares a research report. Each employee must accurately and honestly complete business-related reports and sees that any transactions, trends or other matters that may be important to the Company are reported in a timely manner.

Under various laws, the Company is required to maintain books and records accounting for the Company's transactions. It is mandatory that these books and records be accurate and that they include all pertinent information on a timely and understandable basis. In addition, reports and documents that the Company files with or submits to the Securities and Exchange Commission (SEC), as well as other public communications, must contain full, fair, accurate, timely and understandable disclosure.

Dishonest reporting, or failure to disclose material terms of a transaction on a timely basis, is strictly prohibited. An individual cannot knowingly report information that is inaccurate or organize it in a way intended to mislead or misinform those who receive it.

Employees must not make false or misleading statements in external financial reports, SEC filings or submissions, environmental monitoring reports, other documents submitted to or maintained for government agencies, or other public communications.

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Dishonest reporting can lead to civil or criminal liability, including significant monetary fines for the Company and possible jail sentences and/or fines for you.

III. CONDUCT OF BUSINESS

You must always be ethical and lawful in all of your business dealings on behalf of the Company. No matter what type of organization you are dealing with or what its relationship is to the Company, you must always observe the following general standards.

A. WORKING WITH SUPPLIERS

In deciding among competing suppliers, you must weigh the relevant facts and decision points to impartially determine the best supplier. You must do so whether you are in a purchasing job, a local office or any other part of the business — and whether you are buying millions of parts or just a few, or contracting for a small repair job or any other service.

You should not tell a prospective supplier that your decision to buy its goods or services is conditioned on the supplier's agreement to buy the Company's products or services.

B. AVOIDING FALSE AND MISLEADING STATEMENTS ABOUT COMPETITORS

It is the Company's policy to sell products and services on their merits. False or misleading statements or innuendoes about competitors, their products or their services are improper and will not be tolerated.

You must be sure that all Company product comparisons to competitors and their products and services are substantiated, and that the comparisons are complete, accurate, and not misleading when they are made. Certain countries prohibit comparative advertising. Before advertising, you should discuss guidelines with the Legal Department.

C. ACQUIRING AND USING INFORMATION ABOUT COMPETITORS

In the normal course of business, it is not unusual to acquire information about many other organizations, including competitors. Doing so is a normal business activity and is not unethical in and of itself. In fact, the Company properly gathers this kind of information for such purposes as extending credit and evaluating suppliers. The Company also collects information on competitors from a variety of legitimate sources to evaluate the relative merits of its own products, services, and marketing methods. This activity is proper and necessary in a competitive system.

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No one should use improper or illegal means to acquire a competitor's trade secrets or other confidential information.

D. PROTECTING THE ASSETS OF BUSINESS PARTNERS

Organizations and individuals the Company deals with have intellectual property, including confidential information, they want to protect. They are sometimes willing to disclose and allow others to use their proprietary information for a particular purpose. If you receive another party's proprietary information, you must proceed with caution to prevent any accusations that the Company misappropriated or misused the information. Once another party's confidential or restricted information is properly in your hands, you must not use, copy, distribute or disclose that information unless you do so in accordance with the terms of the agreement with that party.

Special care should be taken in acquiring software from others. As intellectual property, software is protected by copyright, and may also be protected by patent or trade secret laws. The terms and conditions of any license agreement — such as provisions not to copy or distribute programs — must also be strictly followed. If you acquire software for your personally owned equipment, you should not copy any part of such software in any development work you do for the Company, place such software on any Company-owned computer system, or generally bring such software onto the Company's premises. This includes any copies of software that reside on any electronic online bulletin boards or databases.

Herbalife and many companies have trademarks — words, names, symbols or devices — that are used to identify and distinguish their products. It is important that you properly acknowledge and use Herbalife's trademarks and the trademarks of other companies in all countries around the world.

E. BRIBES, GIFTS AND ENTERTAINMENT

Gifts offered by employees of different companies vary. They can range from widely distributed advertising novelties of nominal value, which you may give or accept, to bribes, which you unquestionably may not give or accept. Gifts include not only material goods, but also services, promotional premiums and discounts.

With prior management approval, you may give or accept customary business amenities, such as meals and entertainment, provided the expenses involved are kept at a reasonable level and are not prohibited by law or customary business practice. If you are offered a gift which has more than a nominal value, or which is not customarily offered to others, or money, or if either arrives at your home or office, tell your Manager immediately. Appropriate arrangements will be made to return or dispose of what has been received, and the supplier or distributor will be reminded of this policy.

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F. WORKING WITH GOVERNMENTS

There are specific laws that need to be considered when working with government employees and those who act on a government's behalf. Acceptable practices in the commercial business environment, such as providing education, transportation, meals, entertainment or other items of value, may be considered entirely unacceptable and may even violate certain federal, state, local or foreign laws and regulations when dealing with government personnel. Therefore, you must be aware of, and adhere to, the relevant laws and regulations governing relations between government employees, distributors, and suppliers in every country where you conduct business.

You must not give money or a gift to an official or an employee of a governmental entity if doing so could be reasonably construed as having any connection with the Company's business relationship.

Furthermore, certain legal or ethical restrictions may exist with respect to the hiring by the Company of current or former employees of the government or their family members. You should consult with your management, Human Resource Department or Legal Department before any attempts, even preliminary discussions, are made to hire any such persons.

G. FOREIGN CORRUPT PRACTICES ACT

Under U.S. law, the Foreign Corrupt Practices Act (FCPA):

1. Makes it a crime to pay money or to give anything of value to a foreign official to assist the Company or another to obtain or retain business with the government. The law applies whether the improper payment or gift is made directly by the Company or indirectly through someone acting for the Company.
2. Requires books, records, and accounts to be kept in reasonably accurate detail and fairly reflect the Entity's transactions and the disposition of its assets, and properly record all accounts, cash funds, and other assets.

Each subsidiary, branch, and overseas office of the Company is responsible for compliance with the FCPA. If any questions exist as to the propriety of any proposed transaction, the matter should be referred to your Legal Department prior to entering into the transaction.

H. OBEYING LAWS

The Company's policy is to comply with all laws and regulations that apply to its business. As you conduct Company business, you may encounter a variety of legal issues, particularly in the areas described below. If you have questions on specific laws

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or regulations, contact your Legal Department. Particular care should be taken in the following areas:

- Laws governing competition exist in most of the industrialized countries in which the Company does business. The purpose of competition laws, which also may be known as antitrust, monopoly, fair trade or cartel laws, is to prevent interference with the functioning of a competitive market system. While the purpose of such laws is primarily economic, their effect is often seen as going beyond consumer welfare to protecting other values of society, including individual freedoms.
- Exporting and importing products between two countries are subject to each country's customs laws. Marketing, manufacturing, labeling, and costing of products can impact the smooth delivery of product to market. Care must be taken to meet all legal requirements.
- As an employee, you have a responsibility to protect the environment. If you become aware of any violation of an environmental law or any action that may appear to conceal such a violation, you should immediately report the matter to the Human Resources Department or Legal Department.
- Any contact with government personnel for the purpose of influencing legislation or rule making, including such activity in connection with marketing or procurement matters, is considered lobbying. Some laws also define lobbying even more broadly to include normal marketing activities. If you participate in these activities you are responsible for knowing and adhering to all the relevant lobbying laws and associated gift laws, if applicable, and for compliance with all reporting requirements. If you have any questions concerning lobbying, please contact the Legal Department.

IV. CONFLICTS OF INTEREST

Of all corporate activities involving employee officer or director conduct, among the most important involves avoiding potential *conflicts of interest*.

A "conflict of interest" occurs when an individual's private interest interferes — or appears to interfere — with the interests of the Company. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. A conflict situation also arises when an employee, officer or director, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company.

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Annually, directors, officers and employees at the level of Managers and above will be required to complete a disclosure statement setting forth any financial interests, business or other relationships that might present a conflict of interest. In addition, every director, officer, and employee must provide *full and immediate* disclosure of any interest that you may have at the time of hire or at any time during your employment that creates, or appears to create, a possible conflict of interest. This disclosure should be made to the Human Resources Department or the Legal Department.

It is generally anticipated that most activities disclosed under this section will not raise real conflict of interest questions. In the few instances where such a question might exist after full disclosure, corrective steps generally can be taken to avoid potential problems without interfering with the outside interests of the employee, officer or director. With respect to any disclosure of information furnished by an employee, officer or director in accordance with this Code of Business Conduct and Ethics, the Company will endeavor to protect such information and handle it on a confidential basis.

Each individual's situation is different, and in evaluating your own, you will have to consider many factors. The most common types of conflicts are addressed here to help you make informed decisions, although potential conflicts of interest are not limited to these situations.

- You may not, without the Company's consent, work for a competitor in any capacity, including as an employee, a consultant or member of the Board of Directors.
- You should be careful to avoid activities during your personal time that conflicts with the Company's business interests. The types of activities that could create conflicts vary significantly. It is your responsibility to consult with your management or the Legal Department to determine whether your planned activity will conflict with any of the Company's actual or potential businesses.
- If you are an employee or officer, unless approved in advance by management and the Legal Department, you may not be a supplier to the Company, represent a supplier to the Company, work for a supplier to the Company or be a member of a supplier's Board of Directors while you work for the Company. In addition, you may not accept money or benefits of any kind for any advice or services you may provide to a supplier in connection with its business with the Company.
- You may not perform non-Company work or solicit such business on the Company's premises or while working on Company time, including time you are given with pay to handle personal matters.

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Also, you are not permitted to use Company assets, including equipment, telephones, faxes, materials, resources or proprietary information for any non-Company work.

- You or members of your family should not have a financial interest in any organization with which the Company does business or competes if such an interest would result in or would appear to result in a conflict of interest with the Company. This limitation applies to suppliers who are privately owned or publicly traded companies. If you have questions about your financial interest in a supplier, contact the Human Resources Department or Legal Department.
- You must not grant preferential treatment to close relatives or friends within the Company in conflict with the Company's best interests. For example, no employee should supervise or be supervised by, or work in the same department on the same shift as, a member of his or her immediate family. Employees and their spouses are prohibited from being Herbalife Distributors. Also, employees are prohibited from dating, pursuing sexual relationships with, or cohabitating with Distributors..

V. CORPORATE OPPORTUNITIES

Employees, officers and directors are prohibited from: a) taking for themselves personally opportunities that are discovered through the use of Company property, information or position; (b) using the Company's property, information, or position for personal gain; and (c) competing with the Company for business opportunities. Employees, officers and directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

VI. INSIDER TRADING

In the course of your employment or relationship with the Company, you may become aware of information about the Company or other companies that has not been made public. The use of such non-public or "inside" information about these companies for your financial benefit is not only unethical, but is prohibited by the Company's Insider Trading Policy and may be a violation of law. U.S. law makes it unlawful for any person who has material non-public information about a company to trade stock, bonds or other securities of the company or to disclose such information to others who may trade.

Violation of this law may result in civil and criminal penalties, including fines and jail sentences. These prohibitions also apply outside the U.S.

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Material non-public information includes information that is not available to the general public at large that could affect the market price of the Company's securities and that a reasonable investor would consider important in deciding whether to buy, sell, or retain the Company's securities. While it is not possible to identify in advance all information that could be viewed as material non-public information, some examples might include non-public information about: the Company's financial performance, including earnings and dividend actions; acquisitions or other business combinations; divestitures; major new product announcements; significant advances in research; and other significant activities affecting the Company. If you have any doubt about what you can or cannot do in this area, you should consult the Company's Insider Trading Policy or contact the Company's Legal Department.

VII. PUBLIC SERVICE AND POLITICAL LIFE

The Company encourages employees, officers and directors to be active in the civic life of their communities. However, such service may, at times, place you in a situation that poses a conflict of interest with the Company. As a board or committee member of a civic organization, you may, for example, be confronted with a decision involving the Company. It might be a decision to purchase Company products, equipment or services; or it might be a decision by a Board of Tax Assessors or a Zoning Board that affects Company property. In such circumstances, your interest in the Company and your obligation to the civic organization might pull you in opposite directions. The law may require you to abstain, depending on your position with the Company and whether you stand to gain personally from the decision. On the other hand, there may be circumstances in which the law does not permit you to abstain. While you are in the best position to make the decision and bear the responsibility for the decision, before making your decision, you should get advice from the civic organization's lawyer and the Company's Legal Department.

You must not make any political contribution as a representative of the Company. You may not request reimbursement for political contributions from the Company, nor will the Company reimburse you for any personal contributions you make. In addition, you should recognize that your work time or use of Company assets is the equivalent of such a contribution.

When you speak out on public issues, make sure that you do so as an individual. Do not give the appearance that you are speaking or acting on the Company's behalf.