

Compensation Committee Charter

1. **Members.** The Board of Directors (the “**Board**”) of Herbalife Ltd. (the “**Company**”) appoints a Compensation Committee (the “**Committee**”) consisting of at least three independent members of the Board, and designates one member as chairperson, or delegates the authority to designate a chairperson to the Compensation Committee. Members of the Committee serve at the pleasure of the Board, upon the recommendation of the Nominating and Corporate Governance Committee. For purposes hereof, an “independent” director is a director who meets the New York Stock Exchange (the “NYSE”) definition of “independence,” as determined by the Board. Additionally, members of the Committee must qualify as “non-employee directors” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and as “outside directors” for purposes of Section 162(m) of the Internal Revenue Code.

2. **Purpose, Duties, and Responsibilities.** The Committee’s purpose is to assist the Board in the discharge of its responsibilities related to the compensation and benefits provided by the Company to its executive officers and other employees, except as may otherwise be delegated by the Board to another Board committee. As used herein, “Executive Officers” shall mean (i) each direct report to the Company’s Chief Executive Officer (the “**CEO**”), excluding any administrative staff, (ii) a current or prospective employee with a total annual compensation target of \$1,000,000 or more, (iii) employees of the Company at the level of executive vice president or above, (iv) Section 16 officers (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934), and (v) such other executive officers as determined from time to time by the Committee in its sole discretion; provided, however, that “Executive Officers” does not include the CEO. Duties and responsibilities of the Committee are to:

- a. Establish the Company’s general compensation philosophy and oversee and approve the development, adoption and implementation of compensation policies and programs that function to attract, motivate, and retain the Company’s executive talent and its leadership pipeline, and assess whether such policies and programs establish appropriate incentives.
- b. Oversee and periodically review the material risks arising from or related to the Company’s compensation policies and practices including, without limitation, those applicable to the CEO and the Executive Officers, and evaluate whether such policies and practices create risks that are reasonably likely to have a material adverse effect on the company.
- c. Review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the performance of the CEO in light of those goals and objectives on an annual basis, and, based on this evaluation, recommend the compensation level of the CEO for approval by the independent members of the Board.
- d. Review and approve corporate goals and objectives relevant to the compensation of the Executive Officers, evaluate the performance of the Executive Officers in light of those goals and objectives on an annual basis, and, based on this

evaluation and after considering the CEO's recommendations, set the compensation level of the Executive Officers.

- e. Review and approve recommended changes to the target total annual compensation of any Executive Officer. Changes subject to the review and approval of the Committee pursuant to this Section 2(e) may include changes to such person's annual base salary, bonus and other annual incentives, or options, equity grants and participation in supplemental executive retirement plans or other long-term incentive compensation plans.
- f. Review, approve, amend or modify the terms of any compensation or benefit programs or plans generally applicable to Executive Officers and other employees of the Company (including the CEO), except as may be delegated by the Board to another Board committee or as limited by provisions of a shareholder-approved plan.
- g. Administer existing incentive compensation plans and equity-based plans, and discharge any responsibilities imposed on the Committee by such plans, and review and make recommendations to the Board with respect to new incentive compensation plans and equity-based plans.
- h. Oversee regulatory compliance with respect to compensation matters, including oversight of the Company's policies on structuring compensation programs to preserve tax deductibility; and, when required, establishing performance goals and certifying that such goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.
- i. Review and recommend to the independent members of the Board employment agreements or other severance arrangements, including change-in-control provisions, plans or agreements, for the CEO, and any amendments, supplements or policy modifications thereto. Review and approve employment agreements or other severance arrangements, including change-in-control provisions, plans or agreements, for Executive Officers, and any amendments, supplements or policy modifications thereto.
- j. Review the compensation of directors for service on the Board and its committees on an annual basis, and recommend such compensation to the Board for approval.
- k. Periodically assess progress toward the Company's stock ownership guidelines for the CEO and Executive Officers and directors.
- l. Review plans for the development, retention and replacement of the CEO and Executive Officers; and periodically review executive succession plans and executive education plans.
- m. Periodically review other human resources programs and initiatives.
- n. Annually evaluate the performance of the Committee, as described below under "Performance Evaluation."

- o. Prepare, with such assistance of management as it deems appropriate, a Compensation Discussion and Analysis (“**CD&A**”), a Committee report on executive compensation and the other related disclosures, each as required by the Securities and Exchange Commission (the “**SEC**”) to be included in the Company’s annual report and annual proxy statement in accordance with applicable SEC rules and regulations and recommend to the Board based on the review and discussions whether the CD&A should be included in the Company’s annual report and annual proxy statement.
- p. Regularly report to the Board on the Committee’s activities, including at each regularly scheduled quarterly Board meeting.
- q. Oversee the Company’s response to regulatory developments affecting executive compensation and, along with other appropriate committees of the Board, review and make recommendations to the Board regarding (i) the Company’s responses to shareholder proposals related to executive compensation matters, and (ii) the Company’s proposals regarding advisory votes on executive compensation, including as to the frequency of shareholder advisory votes on executive compensation.
- r. Make recommendations to the Board regarding any other proposal relating to executive compensation intended for inclusion in the Company’s annual proxy statement.
- s. Review and recommend for Board approval the “officers” of the Company for purposes of Section 16 of the Securities Exchange Act of 1934.
- t. Establish and maintain the appropriate set of peer group companies used for compensation benchmarking.
- u. Review the independence of the Committee’s consultants for purposes of compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act and New York Stock Exchange listing standards.
- v. Review and assess the sufficiency of the succession planning of the CEO and the Company’s other Executive Officers.
- w. Review and approve minutes of Committee meetings.
- x. Perform any other duties and execute any other responsibilities expressly delegated to the Committee by the Board from time to time relating to the duties and responsibilities of the Committee set forth in (a) through (w) above and any other compensation and benefit related matters, including with respect to the compensation and benefits provided by the Company to its executive officers and other employees.

3. **Delegation to Subcommittees or Officers.** The Compensation Committee may, in its discretion, delegate certain of its duties and responsibilities to a subcommittee of the Committee of at least two members. In particular, the Committee may delegate the approval of

certain matters to a subcommittee consisting solely of members of the Committee who are (i) Non-Employee Directors for the purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as in effect from time to time, and (ii) outside directors for the purposes of Section 162(m) of the Internal Revenue Code, as in effect from time to time. Further, the Committee may, in its discretion, delegate all or a portion of its duties and responsibilities with respect to compensation of employees (other than compensation of the CEO or the Executive Officers) and broad-based benefit plans and programs to one or more officers of the Company.

4. **Performance Evaluation.** The Committee shall produce and provide to the Board an annual performance evaluation of the Committee, which evaluation shall compare the performance of the Committee with the requirements of this Charter. The performance evaluation shall also recommend that the Board make any improvements to the Committee's Charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate.

5. **Meetings.** The Committee will meet as often as may be deemed necessary or appropriate, in its judgment, either in person or telephonically, and at such times and places as the Compensation Committee determines. The majority of the members of the Compensation Committee shall constitute a quorum. When appropriate, the Committee shall meet in separate executive sessions with or without management and other employees (or such other individuals deemed appropriate) to discuss matters that warrant Committee attention. The Corporate Secretary of the Company, or their delegate, shall maintain minutes and other records of the meetings and activities of the Committee.

6. **Resources and Authority of the Committee.** The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, without seeking approval of the Board or management, including with respect to consultants retained to assist in the evaluation of CEO or Executive Officers' compensation.