What Should I Know About Being an Herbalife Nutrition Independent Distributor?

How can I participate?

As an Herbalife Nutrition Distributor, you can participate in three ways:

• You can buy Herbalife Nutrition products at a discount for your own or household use
• You can sell Herbalife Nutrition products to make a Retail Profit
• You can recruit others who want to consume or sell Herbalife Nutrition products

If your only purpose in joining Herbalife Nutrition is to receive a discount on the products, you should discuss with your sponsor whether the Preferred Member program is right for you at a cost of $34.95. A Preferred Member cannot sell products, recruit other or earn multi-level compensation, but does receive a discount on the products. A Preferred Member may convert to Distributor and build a business at any time by following the conversion process and purchasing a Conversion Pack for $59.95 and completing the Required Distributor Training.

What should I know about the business opportunity?

• There are no required purchases other than the initial Distributorship kit also known as the International Business Pack ($94.10) or International Business Pack – Super Starter ($124.10)
• Distributors enjoy setting their own schedule and choosing how and when to work
• Most people start their Herbalife Nutrition business by working part-time and selling to people they know or people they meet as a way to make a little extra money
• There are no guarantees that you will earn money. Like all business people, some Distributors will succeed, while some will not.
• Building a successful Herbalife Nutrition business takes skill, hard work, and time

How can I earn money?

You can earn money by selling Herbalife Nutrition products that you buy at a discount. Your initial discount is approximately 25%. The more you sell, the higher your discount, up to a maximum of approximately 50%. For example, the initial discount on Formula 1, Herbalife Nutrition’s best-selling product, is shown on the right:

| Suggested Retail price | $50.90 |
| Distributor price (with initial discount and before shipping and tax) | $38.81 |
| Potential profit | $12.09 |

• If you buy at this initial discount and sell 10 canisters at the Suggested Retail Price, passing along shipping and taxes, you would make $120.90 before expenses
• You can also earn money from the sales of people you sponsor
• You cannot earn money by only recruiting or only sponsoring other Distributors

How much can I earn in a typical month?

In 2021, about 178,000 U.S. Distributors ordered products for resale from Herbalife Nutrition and about 166,000 of them earned money from their sales and the sales of those they sponsored. In a typical month, about 85,000 earned money, including those making supplemental income. Here is what they earned in a typical month, before expenses.

<table>
<thead>
<tr>
<th>First year Distributors (about 24,000) (about half earned in 6 months or more in 2021)</th>
<th>All other Distributors (about 61,000) (about half earned in 6 months or more in 2021)</th>
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<tbody>
<tr>
<td>50% (about 12,000) earned more than $190 in a month</td>
<td>50% (about 30,500) earned more than $241 in a month</td>
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<tr>
<td>Top 10% (about 2,400) earned more than $1,636 in a month</td>
<td>Top 10% (about 6,100) earned more than $3,925 in a month</td>
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<tr>
<td>Top 1% (about 240) earned more than $8,912 in a month</td>
<td>Top 1% (about 610) earned more than $18,176 in a month</td>
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The Top 1% of Distributors are typically President’s Team members. The time it took them to reach President’s Team typically between 5 and 11 years. Requires skills, consistent work and dedication.

What if it doesn’t work for me?

• You can cancel your Distributorship at any time. If you are in your first year, you can cancel and receive a full refund of your International Business Pack.
• If you cancel your Distributorship, you may return all unopened Herbalife Nutrition products that were purchased in the previous 12 months for a full refund including any taxes and any shipping and handling cost on the original delivery. We even pay for shipping.
• Please contact 855-757-4747 for more information.

HerbalifeNutrition.com/SAGC
U.S. STATEMENT OF AVERAGE GROSS COMPENSATION 2021

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