helping children around the world

2007 annual report

HERBALIFE

FAMILY FOUNDATION.
The Herbalife Family Foundation (HFF), created in 1994 by Herbalife Founder Mark Hughes, is dedicated to improving children’s lives by helping organizations provide healthy nutrition to children at risk. HFF also lends support to relief efforts, responding to natural disasters around the world.

With the generous contributions of Herbalife Independent Distributors, employees and friends, HFF offers support to impoverished children, helping them to survive and reach their potential, despite the difficult challenges they face.

As a powerful starting point for changing children’s lives, HFF provides hope in overcoming one of life's biggest obstacles: inadequate nutrition and hunger.

Dear HFF Global Family,

In 1994, Mark Hughes founded the Herbalife Family Foundation with a vision of creating a brighter, healthier future for children in need.

We share Mark’s vision with our ongoing commitment to establish Casa Herbalife programs around the world and to support disaster relief efforts.

In 2007, the Casa Herbalife program we created two years earlier to help bring healthy nutrition to children grew with nine new programs. We celebrated a milestone in December when we reached 30 Casa Herbalife programs worldwide. Through numerous fundraising events and volunteer activities, more Herbalife Independent Distributors and employees are involved than ever before.

As our global HFF community grew, we were able to expand our support for disaster relief efforts in many regions of the world by supporting organizations that were there to provide help where it was needed most.

We could not have achieved any of this without the generous support of our global community and your continued support. We promise to keep doing all that we can to help provide a healthier future for children. We are changing people’s lives.

Michael O. Johnson, Chairman
Herbalife Family Foundation
Dear HFF Supporters and Friends,

The past year has been a year of change and growth within HFF. This time last year, we recognized and celebrated Joan Kardashian’s many years of service to HFF as she went off to a well-earned retirement. We underwent the transition of leadership, added new staff and are now creating an infrastructure that will allow us to not only sustain but expand our philanthropic vision.

In 2007 we launched our inaugural HFF Humanitarian Award and recognized our first award recipients, Garry and Jennifer Bates DeBrabander; supported disaster relief efforts; and went from 21 to 30 Casa Herbalife programs around the world.

When I joined the HFF staff in February 2007, I was astounded by the enthusiasm and dedication of HFF supporters. I had heard stories of amazing people achieving great success and was told that all I would have to do is ask and help would come. It’s true. This past year I have seen a level of compassion for the well-being of children that I have never witnessed before. Herbalife Independent Distributors, Herbalife employees and our friends and families are simply the best.

On behalf of the Herbalife Family Foundation Board of Directors, it is my pleasure to present you with our very first HFF annual report. We hope you find the report informative and share its contents with your downline, friends, families and colleagues.

With warm regards,

Robyn M. Browning, CFRE
Director, Herbalife Family Foundation

Casa Herbalife, HFF’s flagship program, was introduced in 2005 to support existing charitable organizations. The program, named after the Brazilian orphanage Mark Hughes and HFF built in 1998, helps to provide proper nutrition to children in more than 30 locations around the globe.

Casa Herbalife programs receive HFF funding as well as the support of HFF local donors through numerous fundraisers and volunteer projects.

The following is a chronological listing of our Casa Herbalife programs around the world. In conjunction with the partner charities we support, we have made great strides to improve the lives of thousands of children in 2007.
**Casa do Menor São Miguel Arcanjo**

**Location:** Rio de Janeiro, Brazil  
**Program Launch:** June 2005

The Casa do Menor São Miguel Arcanjo cares for approximately 35 children at a time. The children serviced by RBHK live there full-time to escape poverty, abuse and neglect. The Casa Herbalife program provides better nutrition to the children living at the center. This program is also supported locally by dedicated Herbalife volunteers, staff and Distributors.

**Kobe Jitsugyo Gakuen (KG)**

**Location:** Kobe, Japan  
**Program Launch:** December 2005

Established in 1912, KG looks after children ages 2-18 who have been abandoned, or cannot live with their families, providing a home at the center with programs that encourage healthy development and self-reliance. In December 2007, Herbalife Distributors and staff celebrated KG’s 92nd anniversary with the children and staff, presenting the annual gift, singing songs, and giving gifts to and receiving homemade items from the children.

**Nuestra Ayuda Inspirada en Maria Corporation (NAIM)**

**Location:** Santiago, Chile  
**Program Launch:** January 2006

The NAIM Corporation is an orphanage that cares for approximately 100 children at a time. The children serviced by NAIM live there full-time to escape poverty, abuse and neglect. The Casa Herbalife program provides better nutrition to the children living at the center. This program is also supported locally by dedicated Herbalife volunteers, staff and Distributors.

**Singapore Children’s Society**

**Location:** Singapore  
**Program Launch:** October 2005

www.childrenssociety.org.sg

Singapore Children’s Society has been supporting needy children for over 50 years, and today provides assistance to approximately 12,000 children across nine service centers. Casa Herbalife program funds renovated one center’s kitchen facilities and will provide more nutritious meals and snacks. During 2007’s South East Asia Program Launch, Herbalife Distributors authored a crowd of almost 16,000 and raised over $100,000 USD in the Herbalife Idol competition.

**Barnton’s Boosters – Wayne Barton Study Center**

**Location:** Boca Raton, FL, USA  
**Program Launch:** February 2006

Founded by retired Boca Raton police officer Wayne Barton in 1989 to enhance the health and wellbeing of needy children in Florida’s South County, the Wayne Barton Study Center emphasizes academic development, citizenship in a multicultural society, recreational activities, and a healthy lifestyle. In 2007, the Casa Herbalife program provided healthy meals and snacks to more than 350 members and Distributors organized a successful holiday toy drive.

**Alberque Infantil Los Pinos**

**Location:** Guadalajara, Mexico  
**Program Launch:** April 2006

Alberque Infantil Los Pinos provides lodging, meals, clothing, education and psychological support to children, ages 5-17, living in extreme poverty. The Foundation’s main objective is to help children and staff sustain themselves and obtain tools to achieve self-sufficiency and good citizenship. During 2007’s Mexico Extravaganza, Herbalife Distributors and staff raised more than $100,000 USD for Casa Herbalife programs in Mexico.

**Centro Comunitario Barrio Agustoni**

**Location:** Buenos Aires, Argentina  
**Program Launch:** May 2006

Located in a poverty-stricken section of Buenos Aires and built from donated salvaged materials, Centro Comunitario Barrio Agustoni cares for children and provides meals to the hungry. Since partnering with Casa Herbalife, the center has been able to purchase food, proper cooking and eating utensils and renovate kitchen facilities. Local Herbalife Distributors volunteer time and resources to plan fun events and bring gifts during quarterly visits.

**Foundation for Children**

**Location:** Bangkok, Thailand  
**Program Launch:** June 2006

www.fc.or.th

Foundation for Children (FPC) is committed to improving the living conditions of underprivileged children in Thailand. With Casa Herbalife program grants, FPC has provided its children with more nutritious meals. The Herbalife Thailand staff has been creative in their fundraising efforts—selling creative items and generating a recycling program, developing a running/riding/fondations fundraiser—and has made increasing participation in activities benefiting their local Casa Herbalife program a priority.

**SOS Children’s Village, Athens-Vari**

**Location:** Athens, Greece  
**Launch Date:** July 2006

www.sos-villages.gr

SOS Children’s Village is dedicated to providing homes to abandoned children. The Athens-Vari Village location has a total of eleven homes that house more than 80 children. The Casa Herbalife program has helped fund the Village’s food supplies as well as upgrade some of its kitchen facilities.

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**Support**

www.herbalifefamilyfoundation.org
**NCH, The Children’s Charity**

**Location:** London, UK  
**Launch Date:** August 2006  
www.oldestasian.org.uk

The UK Casa Herbalife program established with NCH, The Children’s Charity, continues to benefit from local Distributors’ fundraising efforts. In 2007, UK President’s Team member Angela Tisdall and her son, Sebastian raised a large sum for the program through innovative projects: Angela donated money from sales of her shake recipe book and Sebastian, and three other students, attempted to cross Iceland on skis while towing a sled! All of the money will continue to provide healthy meals and nutritional advice to children and young people.

**Ministerios de Amor, A.C.**

**Location:** Mexico City, Mexico  
**Launch Date:** September 2006  
www.ministeriosdeamor.org.mx

Ministerios de Amor, A.C. works with high-risk children who are born in prisons, saving them from abuse, abandonment and marginalization and providing support in the areas of health, education, nutrition and housing. The Casa Herbalife program grant money renovated kitchen facilities, upgraded appliances and has provided better quality food for the children. Successful local fundraising in 2007 will provide significant support for the coming year.

**Acres of Love**

**Location:** Johannesburg, South Africa  
**Launch Date:** September 2006  
www.acresoflove.org

Acres of Love owns and operates 12 homes, for orphans and abandoned children living with or affected by HIV and AIDS, located in pristine neighborhoods close to private medical care, good schools and community centers to give the children (ages newborn–16) the best opportunity for a good education and normal childhood.

**SOS Children’s Village – Madrid**

**Location:** Madrid, Spain  
**Launch Date:** November 2006  
www obedrafei.org

SOS Children’s Village, Madrid, works with abandoned children up to the age of 16, creating a stable home life for them. The Casa Herbalife program helps provide nutritious meals for children. In 15 homes, HFF donations have also supported the upgrading of some of the homes’ kitchen facilities over the last year.

**Obra do Frei Gil**

**Location:** Oporto, Portugal  
**Launch Date:** November 2006

Obra do Frei Gil, with four children’s homes and two nurseries in four locations, works to provide a positive environment for approximately 190 children. Affection, wellness education and family integration are its main goals. Distributors in Portugal have shown strong support for their local funding, raising funds at local STS meetings throughout 2007 and purchasing new kitchen equipment for the charity’s homes.

**Caritas Garden Children’s Home**

**Location:** Tokyo, Japan  
**Launch Date:** December 2006

Caritas Garden Children’s Home cares for children, most victims of child abuse and neglect, ages 2-18. Casa Herbalife program funds helped modify the kitchen and support a children’s cooking program, they choose their own ingredients and cook, learning about good nutrition and healthy living. Local Distributors visit the home regularly to provide nutrition lessons, tea ceremony lessons and other fun activities.

**Sang Rok Won**

**Location:** Seoul, Korea  
**Launch Date:** February 2007

The formerly homeless, abandoned, and neglected children now living at Sang Rok Won are receiving healthier meals from a renovated kitchen thanks to the Casa Herbalife program. Locally raised funds supported a spring picnic outing with the children and set up for them to a Hockey leadership training entitled “7 Habits of Highly Effective Teens,” over winter school break.

**VanHarte Resto**

**Location:** Den Haag, Netherlands  
**Launch Date:** April 2007  
www.vanhartekeuntvo.nl/cms

VanHarte Resto was created to help children and adults dealing with social exclusion and personal hardships receive quality nutrition and support through programs that encourage social interaction, mutual support and reintegration into society. The kitchen, open three days a week, provides nutritious meals and will continue to do so with the help of the Casa Herbalife Grant. Funds from the Casa Herbalife Grant have also been used to produce an entertaining booklet for children on the importance of good nutrition.

**VanHarte Resto Foundation**

**Location:** Den Haag, Netherlands  
**Launch Date:** April 2007

VanHarte Resto Foundation was created in 2005 to care for children that have been infected with HIV or orphaned by a parent with HIV. The Casa Herbalife program will help provide nutritious food to the children living in a new facility in Kwazi, Zambia.

**Sara Rose Children Foundation, Inc.**

**Location:** Kwazi, Zambia  
**Launch Date:** August 2007

In response to the growing number of orphans and abandoned children affected by the AIDS pandemic, the Sara Rose Childrens’ Foundation was created in 2005 to care for children that have been infected with HIV or orphaned by a parent with HIV. The Casa Herbalife program will help provide nutritious food to the children living in a new facility in Kwazi, Zambia.

**Walker’s Place of Safety**

**Location:** Kingston, Jamaica  
**Launch Date:** December 2007

Founded in 1978, Walker’s Place of Safety serves as transitional housing and provides good nutrition, safe shelter, educational services and quality health care for hundreds of abused and neglected children who have been abandoned or removed from their homes because of unstable conditions. As the 30th Casa Herbalife program, Walker’s Place of Safety has received a grant that will help fund their nutrition program.
Disaster Relief Support
Each year, millions of children’s lives are turned upside down by tragic natural disasters. Recovery from such events is slower than most people realize. Many victims of the Southeast Asian Tsunami of 2004 and Hurricane Katrina of 2005 that ravaged the Bahamas, Cuba, and much of the SouthEastern United States (particularly New Orleans, Louisiana) are still displaced and without permanent shelter.

HFF supports disaster relief efforts around the world by raising money and providing funding to like-minded organizations helping at the scene of the disaster. Such efforts have helped increase food, clothing, blankets, supplies, shelter and safe play area availability for affected children and their communities.

HFF continues to fervently raise funds in support of the victims of natural disaster. In 2007, HFF teamed with the Los Angeles Galaxy Foundation, to produce an All-Star soccer match to raise funds for those displaced by the Southern California wildfires. The event raised over $100,000 for the disaster relief efforts of the Salvation Army and American Red Cross. Through fundraising campaigns and special events HFF helped provide more than $180,000 for disaster relief efforts around the globe in 2007.

Chairman’s Club members Garry and Jennifer Bates DeBrabander were awarded the very first HFF Humanitarian Award in 2007. Garry and Jennifer were recognized for their community service, generosity, and overwhelming dedication to improving the lives of children in Zambia. HFF made a $10,000 donation to the DeBrabanders’ charity of choice, the Sara Rose Children Foundation, Inc. in Kitwe, Zambia. The HFF funds are being used to provide food and shelter to hundreds of children infected with HIV, or orphaned by a parent with HIV, that the charity will care for this year.

Garry and Jennifer DeBrabander receive the 2007 HFF Humanitarian Award

Funds Raised

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<th>Amount</th>
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<td>2006</td>
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Funds Distributed

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<tr>
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Foundation Asset Growth

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<tr>
<td>2007</td>
<td>$721,213</td>
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</tbody>
</table>

We are raising more than we have in the past.

We are giving more than we have in the past.

We are managing for growth and preparing for the future.

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