

**CORPORATE GOVERNANCE GUIDELINES
OF
HELEN OF TROY LIMITED**

Purpose

To promote transparency of corporate processes and maintain the trust of our shareholders, the board of directors of Helen of Troy Limited has adopted the following corporate governance guidelines.

Role of the board

The board of directors, which is elected by the shareholders, is the ultimate decision-making body of the company, except with respect to matters reserved to the shareholders. The board of directors selects the chief executive officer, the officers and certain other members of the executive management of the company not delegated to the chief executive officer, who are charged with directing the company's business. The primary function of the board of directors is therefore oversight — defining and enforcing standards of accountability that enable executive management to execute their responsibilities fully and in the interests of shareholders.

Directors shall exercise their business judgment to act in what they reasonably believe to be the best interests of the company and its shareholders. In discharging that obligation, directors may rely on the honesty and integrity of the company's senior executives and its outside advisors and auditors.

The board's specific responsibilities include:

- selecting, evaluating, retaining and compensating the company's CEO, and providing oversight of the selection, evaluation, retention and compensation of senior management;
- approving and monitoring the company's overall strategic plan, operating goals, annual operating plans and major corporate actions;
- helping develop strategies to address major risks facing the company; and
- establishing policies designed to maintain the financial, legal and ethical integrity of the company.

Board composition

Number of directors. The target size of the board is six to nine members. The board shall consider revising the size of the board to accommodate the availability of qualified candidates based on the recommendations of the nominating committee and consistent with the company's memorandum of association and bye-laws.

Majority of independent directors. A majority of the members of the board shall satisfy the requirements for director independence under applicable SEC rules and NASDAQ listing standards, as they may be amended from time to time (the "listing standards").

Membership requirements. Directors should satisfy the following basic requirements for membership on the board:

- *Ethics.* Directors should be persons of good reputation and character who conduct themselves in accordance with high personal and professional ethical standards, including the policies set forth in the company's Code of Ethical Business Conduct, as may be amended from time to time.
- *Business and professional activities.* Directors should maintain a professional life active enough to keep them in contact with the markets, the business and technical environments and the communities in which the company is active. Because this exposure is a main factor in selecting and retaining directors, a significant position or title change will be seen as reason to review a director's membership on the board.
- *Time.* Directors should have the time and willingness to carry out their duties and responsibilities effectively, including time to study informational and background material and to prepare for meetings. Directors should attempt to arrange their schedules to allow them to attend all scheduled board and committee meetings.
- *Social/political/economic awareness.* Directors should maintain active awareness of changes in the world around them in the broadest possible number of relevant spheres, including economic, social and political spheres.
- *Health.* Directors should be sufficiently healthy, mentally and physically, to attend and contribute actively to most board and committee meetings.
- *Conflicts of interest.* Each director should not, by reason of any other position, activity or relationship, be subject to any conflict of interest that would impair the director's ability to fulfill the responsibilities of a member of the board of directors.
- *Service on other boards.* A director who also serves as CEO or in an equivalent position should not serve on the boards of more than two public companies in addition to the board, and any other director should not serve on the boards of more than four other public companies in addition to the board.
- *Commitment to overall performance.* Directors should understand and commit to the predominance of overall Helen of Troy performance over any particular area of personal interest.

Selection, tenure and retirement of board members.

- *Selection of new director candidates.* The nominating committee shall recommend to the board individuals to serve on the board for selection by the entire board of directors. Invitations to join the board should be extended on behalf of the board by the chairman of the nominating committee.
- *Annual review.* The nominating committee, in consultation with the CEO and the chairman of the board, will review each director's continuation on the board every year. This review will include determination of independence as well as

consideration of skills, experience and other criteria in the context of the needs of the company.

- *Change in status of board members.* If a question arises as to whether a director continues to meet the requirements for service on the board, that director shall submit the question to the nominating committee, which will consider the matter and make a recommendation to the board. If the board determines that a director no longer meets the basic membership requirements, the director will be asked to resign. It is not the board's view that a director who retires or has a change in job responsibility during the director's tenure as a director must necessarily leave the board. However, there should be an opportunity for the board through the committee to review the continued appropriateness of board membership under these circumstances.
- *Employee director's resignation from company.* A director whose employment with the company terminates (including termination by retirement) shall tender his or her resignation from the board in writing to the nominating committee.

Balanced representation. Effort shall be made to maintain representation on the board of directors who have substantial and direct experience in areas of importance to the company.

Election of directors from acquired companies. Normally the board will not consider electing an individual as a director because that person owns, or has owned, any entity acquired by Helen of Troy. When such a person is considered, the board shall weigh reporting relationships, stock ownership and board balance along with the factors listed above.

Board committees

Committees. The board shall at all times have an audit committee, a compensation committee and a nominating committee. The board may from time to time maintain or establish such additional committees as determined by the board. Each committee shall adopt a charter.

Independence and other requirements of committee members. All members of the audit, compensation and nominating committees are required to be independent under applicable SEC rules and the listing standards. In addition, members of the audit committee and the compensation committee must meet all enhanced standards of independence required under the SEC rules and the listing standards. Members of committees must also satisfy any other requirements under the listing standards.

Committee assignments. The board shall request that the nominating committee recommend to the board the assignment of directors to the various committees of the board. This process shall be performed on an annual basis. Consideration should be given to rotating committee members periodically but rotation is not mandated.

Committee chairs. The board shall designate the chair for each committee each year.

Meetings and agenda. The chairman of each committee, shall determine the frequency and length of the meetings of the committee. The chairman of each committee shall include in the committee's agenda all topics requested by committee members, the chairman of the board and appropriate members of management.

Advisors. The board and its committees have the authority to hire any independent legal, financial or other advisors required under applicable law or as they may deem advisable, without consulting with or obtaining the approval of any officer of the company.

Audit committee financial expert. The audit committee shall have at least one member that qualifies as an "audit committee financial expert" as defined by applicable SEC rules. The board shall be responsible for determining the qualification of an individual to serve on the audit committee as a designated "audit committee financial expert." In light of this responsibility of the board, the nominating committee shall coordinate closely with the board in screening any new candidate and in evaluating whether to re-nominate any existing director who may serve in this capacity.

Board leadership

The board should have flexibility to decide whether it is best for the company at a given point in time to have the roles of the chief executive officer and chairman of the board be separate or combined and, if separate, whether the chairman should be selected from the independent directors or be an employee.

Whenever the chairman of the board is not an independent director, the independent directors shall:

- Select from among themselves a lead independent director who will preside at executive sessions of the "non-management directors" (which will include the independent directors and any other directors who are not officers of the company even though they may have another relationship to the company or its management that prevents them from being independent directors).
- The lead independent director shall be identified as such in the company's annual proxy statement to facilitate communications by shareholders and employees with the non-management/independent directors. Such lead independent director also may be responsible for representing the non-management/independent directors with respect to certain matters as to which the views of the non-management/independent directors are sought and with such other responsibilities that the independent directors as a whole might designate from time to time.

Non-employee director compensation

The compensation committee shall recommend to the board compensation programs for non-employee directors, committee chairs and committee members, consistent with any applicable requirements of the listing standards for independent directors and including consideration of cash and equity components of this compensation.

Annual performance evaluations

The directors shall evaluate annually the effectiveness of the board and the committees on which they serve. The nominating committee shall receive the comments from the directors and report annually to the board with an assessment of the performance of the board and its committees.

Officer compensation review; no loans

The compensation committee shall approve goals and objectives to be used as a basis for compensating the CEO, and shall determine the CEO's compensation based on his or her performance in light of those goals. The compensation committee shall also review and approve the compensation structure for the company's other executive officers, and shall approve the compensation of each executive officer in accordance with the charter of the compensation committee. The company shall not make extensions of credit in the form of personal loans to directors or executive officers in violation of applicable law.

Director access to officers and employees

Access. Directors shall have full and free access to officers and employees of the company. Any meetings or contacts that a director wishes to initiate may be arranged directly by the director or through the CEO. Directors shall use their judgment to ensure that any such contact is not disruptive to the business operations of the company and shall, to the extent not inappropriate, copy the CEO on any written communications between a director and an officer or employee of the company.

Officer attendance at board meetings. The CEO shall determine which members of senior management should be in regular attendance at board meetings. The CEO may, from time to time, invite other officers or employees to board meetings with the approval of the chairman of the board.

Agenda for board meetings

The chairman of the board shall establish the agenda for each board meeting. At the beginning of the fiscal year the chairman shall establish, or cause to be established, a schedule of agenda subjects to be discussed during the fiscal year (to the degree this can be foreseen). Each board member is free to suggest the inclusion of items on the agenda. Each board member is free to raise at any board meeting subjects that are not on the agenda for that meeting. The board shall review the company's long-term strategic plans and the principal issues that the company will face in the future during at least one board meeting each fiscal year.

Executive sessions of independent directors

Independent directors shall meet on a regularly scheduled basis in executive session without the CEO or other members of the company's management as required by the listing standards. The chairman of the board, if he is an independent director, shall preside at these meetings. If the chairman of the board is not an independent director, the lead independent director or another independent director selected by the independent directors shall preside.

Director orientation and continuing education

The chairman of the board, in consultation with the deputy chairman of the board, shall be responsible for developing and implementing (1) an orientation program for new directors, and (2) a plan for periodically providing instruction to directors on subjects that would assist them in discharging their responsibilities.

Succession planning

The board shall work with the corporate governance committee and/or such other committees designated by the board to identify and evaluate potential successors to the CEO. The CEO should make available to the board his or her recommendations and evaluations of potential successors.