<text>

LEADERSHIP COMPENSATION AND REWARDS PROGRAM 2024

WELCOME TO THE WORLD OF **IFADERSHIP AT AVON!**

You've got this! With Avon's Leadership Program, you'll be able to take your love of Avon products, and your passion for inspiring and supporting others to the next level! As you grow your beauty business, share your knowledge of what it takes to be successful with other Representatives—and then not only will you be on your way to creating a life you've always dreamed of, but you'll be encouraging others to do the same.

Our Learning and Development team are here to support you in creating a successful Leadership business. They'll work with you to **develop** your business skills, **coach** you on how to increase the size of your Sales Team, and help you create a plan that outlines the actions, activities, and partners you need to reach each and every goal you set. They'll be there every step of the way, cheering you on, and helping you celebrate your greatest achievements.

Get ready for a richly rewarding experience where you'll be able to help others realize their full potential by giving them the support they need to build a business of their own.

Opportunity is knocking, it's time to open the door!



START BY SHARING

Your love of Avon is easy to share with the people you already know and encounter in your day-to-day life. As you start talking to more and more people each day, you'll quickly increase your Customer base and your Personal Sales. You'll also discover that some of your friends and fellow beauty lovers are interested in having a home-based business of their own. By helping others reach for their dreams, you'll be creating the foundations to a successful Mentorship business earning commissions on Team Sales and enjoying fabulous rewards.

WHEN YOU START YOUR MENTORSHIP BIZ, you're a Candidate Sales Leader the moment you add at least one Member to your Team, and they start selling. Sales generated by Team Members contribute to your Team Sales, and as your Team Sales increase, you'll become a Titled Leader, and you'll start earning commissions on your Team Sales. Let's begin your Leadership journey...

CANDIDATES AND TITLED LEADERS NEW-BIZ BONUS

We want to help you earn right from the get-go, which is why all Candidates and Titled Leaders are eligible for the NEW-BIZ BONUS. You qualify for the NEW-BIZ BONUS when one of your New Representatives⁽¹⁾ has sales between \$75 and \$149.99 Qualifying Volume (QV) ⁽²⁾, and you'll earn **5%** of her net sales⁽³⁾ for each campaign that she reaches that target within her first 6 campaigns. With sales above \$150, you'll earn 10% of their net sales. That's right; you can earn 5% to 10% of your New Representative's net sales in their first 6 campaigns. The more they sell, the more you earn!

NEW-BIZ BONUS - 1 st GENERATION		NEW-BIZ BONUS - 2 ND GENERATION		
CANDIDATES AND ALL TITLED LEADERS From New Biz Sales* - 1st Generation**		CANDIDATE AND ALL TITLED LEADERS From New Biz Sales*- 2 nd Generation**		
ove \$150	Sales between \$75 - \$149.99	Sales above \$150		
%	2.5%	5%		
		A D E R S C A N D I D A T E A N D A From New 2 nd Gene ove \$150 Sales between \$75 - \$149.99		

YOUR NEW-BIZ BONUS IS AN UNLIMITED EARNING OPPORTUNITY!

(1) A NEW REPRESENTATIVE is a Representative with less than seven (7) campaigns with AVON. Her/His Length of Association (LOA) is between one (1) to six (6) campaigns.

(2) QUALIFYING VOLUME (QV), also referred to as Customer Brochure Price, is the total unit price of all invoiced items (Avon products, net offers, sell-off and clearance items, Avon Foundation items, demos, samples and sales aids). QV does not include taxes and other fees such as appointing, shipping, i.e. G1 are your personal appointments or Representatives that you inherited. processing, etc. QV is NET of returns.

(3) NET SALES, also referred to as Commissionable Volume (CV), is the calculated value of total Customer Brochure Price (QV) less Representative segment discount.

*NEW BIZ SALES is a Customer sale that is \$75 or above generated by New Representatives.

**GENERATION (GEN.) is the relative association between a Mentor and their Downline. All Representatives personally sponsored are Generation one (G1). Those Representatives appointed by G1 Representatives are G2, relative to the original Representative.

G2 are the personal appointments from your G1 or Representatives that they inherited.

THE 2022 EARNINGS OF A TYPICAL AVON LEADERSHIP REPRESENTATIVE WERE BETWEEN \$0 AND \$3.077 IN COMMISSIONS AND BONUSES.

EARN ON TOTAL TEAM SALES

WHEN YOU SUPPORT YOUR INDEPENDENT SALES REPRESENTATIVES by coaching them on how to sell products and mentor others, and then train them on how to share that knowledge with their Teams; your total Team Sales will grow quickly, and so will your residual commissions. Residual commissions provide great rewards for Leaders with the ability to help others grow and achieve Avon's Leadership Titles. Independent Leadership Representatives earn residual commissions based on Title and Total Sales Volume. The minimum sales from any Team Member for commissions to be paid out is \$50 QV. A Sales Leader must have a minimum of \$125 QV in personal sales.

Title	TOTAL Unit sales †	Minimum Team Sales 1st Gen. ⁺⁺	Earn	Minimum Team Sales 2 nd Gen. ⁺⁺	Earn	Minimum Team Sales 3 rd Gen.	Earn
ADVANCED Leadership Director	\$180,000	\$55,000	7%	\$75,000	11%	\$40,000	6%
SENIOR Executive Leader	\$36,000	\$11,000	6%	\$15,000	10%	\$8,000	5%
EXECUTIVE Leader	\$12,000	\$4,500	6%	\$4,000	8%	\$0	5%
ADVANCED Unit leader	\$5,000	\$3,000	5%	\$1,800	5%	\$0	1%
UNIT Leader	\$850	\$700	5%	\$0	2%	 [†]TOTAL UNIT SALES is equal to your Gen. and your Personal Sales (QV). ^{††} TOTAL TEAM SALES is equal to your Gen 	

PLUS BONUS PAYOUTS

WITH THE AVON LEADERSHIP OPPORTUNITY, you'll be rewarded for the role you play in helping others succeed. Not only do you earn on Total Team Sales, but you can also earn bonus payouts when you achieve a new Title and when you develop others. Excelling in Mentoring is the path to unlimited earning opportunities!

TITLE ACHIEVEMENT - REGULAR OR ACCELERATED

Personal Title Achieve and Maintain Bonuses⁺ are earned each Downline Title Achieve and Maintain Bonuses* are earned each time you advance to a higher Title for the first time. Bonuses can time a Leader of your 1st Generation* advances to a higher Title total up to \$25.200. for the first time. You earn as much as your Downline!

Title	REGULAR BONUS UP To	ACCELERATED BONUS** UP TO
ADVANCED Leadership Director	\$10,000	→ 18 CAMPAIGNS \$15,000
SENIOR EXECUTIVE Leader	\$5,000	→ 18 CAMPAIGNS \$7,500
EXECUTIVE LEADER	\$1,200	→ ¹³ CAMPAIGNS \$1,800
ADVANCED Unit leader	\$800	→ 13 CAMPAIGNS \$1,000
UNIT LEADER	\$400	→ ⁶ CAMPAIGNS \$600

All Leaders are eligible to receive the Personal Title Achieve and Maintain Bonus. However, Leaders are only eligible for the Downline Title Achieve and Maintain Bonus on the same or lower-level Titles. Title Development Bonuses are for Mentors when their 1st Generation Downline Team Members advance Title for the first time.

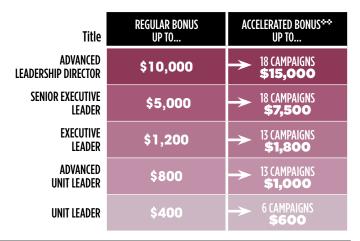
* BONUS PAYMENT: Leader, for all Title Bonuses, must maintain their Title for the next four (4) consecutive campaigns upon earning the bonus. Failure to maintain Title will result in the Leader losing bonus payment(s) from that current campaign onwards. No grace period or exceptions will be applied. Example: Regular Unit Leader Bonus of \$400 is \$100 in each of the four (4) campaigns; Accelerated Unit Leader Bonus of \$600 is \$150 in each of the four (4) campaigns.

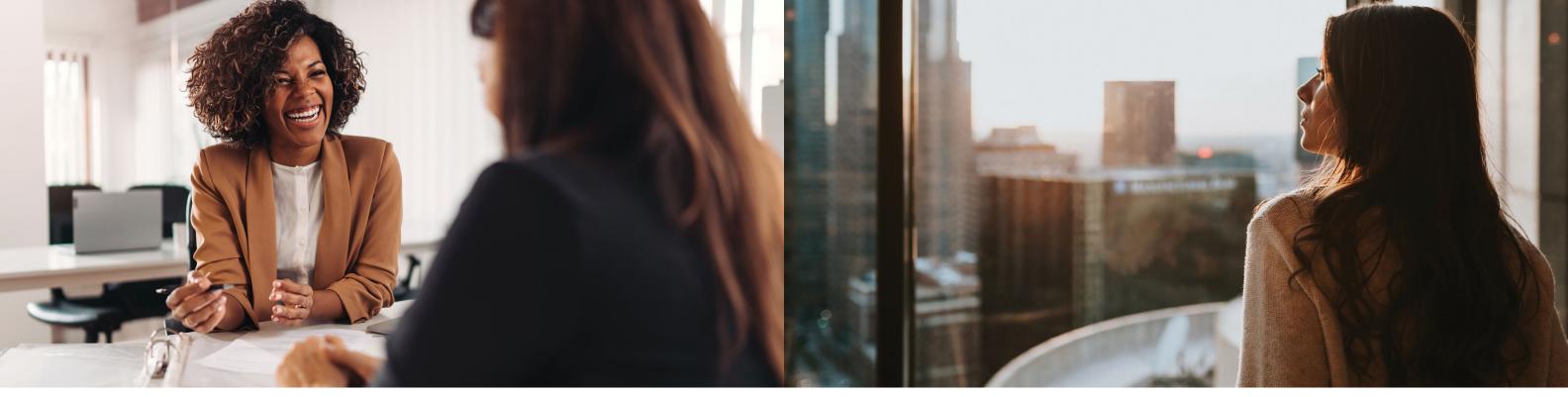
** ACCELERATED BONUS RULES Accelerated Bonus is awarded when a new Title is achieved for the first time, within the determined number of campaigns from current Title. All Leaders are eligible to receive the bonuses. However, Leaders are only eligible for the 1st Generation Downline Title Achieve and Maintain Bonuses on the same or lower level Titles. *The bonus will be paid only to the Upline Leader who was the Mentor at the time of the promotion.

THE TOTAL AMOUNT TO BE DEPOSITED INCLUDES NEW-BIZ BONUS: Achieve, Maintain and Earn: Develop, Maintain and Earn: Residual Commissions PLUS the applicable difference between the Fast Track earnings and the residual commissions. EARNINGS WILL BE PAID out as per the Sales Leadership Deposit schedule.

THE 2022 EARNINGS OF A TYPICAL AVON LEADERSHIP REPRESENTATIVE WERE BETWEEN \$0 AND \$3,077 IN COMMISSIONS AND BONUSES.

DOWNLINE TITLE ACHIEVEMENT - REGULAR OR ACCELERATED





GET ON THE FAST TRACK TO EXTRA CASH

PUT YOURSELF ON THE FAST TRACK TO **ADVANCED UNIT LEADER AND YOU COULD EARN UP TO**

> \$5,000* IN 6 MONTHS!

THE MOMENT YOU BECOME A UNIT LEADER. YOU'RE ON THE FAST TRACK.

Use the momentum you gain from the **New-Biz Bonus** to put yourself on the path towards achieving Advanced Unit Leader. Once you do, you'll earn cash bonuses, increase your commissions, and lay the groundwork for consistent earnings in the future.



FAST TRACK QUALIFIERS:

THE 2022 EARNINGS OF A TYPICAL AVON LEADERSHIP REPRESENTATIVE

WERE BETWEEN \$0 AND \$3,077 IN COMMISSIONS AND BONUSES.

1 Sell \$125 QV in each campaign.

2 Meet Total Unit Sales in each campaign.

3 Be Unit Leader or above.

* THIS AMOUNT REPRESENTS THE MAXIMUM FIXED EARNINGS amount in the applicable campaign if all qualifiers are met. The final fixed earning amount will be less any Leadership clawback.

** TOTAL UNIT SALES is equal to your Gen. 1, 2 and 3 Sales and your Personal Sales (QV). * MUST ACHIEVE BOTH QUALIFIERS in each of the thirteen (13) campaigns to earn the Continuity Bonus

UPON ACHIEVEMENT OF UNIT LEADER, the Avon Fast Track campaign counter starts in the next campaign and will continue for thirteen (13) campaigns.

If a Leader meets the Fast Track qualifiers, Fast Track earnings will be the highest amount between the Fast Track program and the residual commissions.

NEW-BIZ BONUS: Achieve. Maintain and Earn: Develop, Maintain and Earn Bonuses will be paid in addition to the Fast Track earnings.

MENTOR YOUR TEAM AND EARN MORE BONUSES

WHEN YOU LEAD THE WAY AND MENTOR OTHERS to grow their business, you'll earn more, your total Team Sales will grow, and you'll be rewarded in knowing that you helped others to succeed.

WE'LL HELP YOU TO "TAKE THE LEAD"

ACHIEVE YOUR GOALS AND DREAMS FASTER WITH THE "TAKE THE LEAD"** PROGRAM.

Avon will send you Avon Newly Contracted and Newly Established Representatives so that you can welcome even more new Members to your team and, in turn, increase your earnings and commissions.

DON'T FORGET TO USE YOUR eSTORE FOR SELLING AND SHARING!

Hang out your digital **"OPEN"** sign by sharing the link to your eStore with new Customers and Prospects.

Customers can buy what they love with the click of a button, new Members can join your Team, and you can quickly and easily promote your business in all your favourite online spaces.

**For complete details, see the TAKE THE LEAD program flyer by signing in to avon.ca and clicking on Leadership > Leadership Support > Take the Lead Program.

THE 2022 EARNINGS OF A TYPICAL AVON LEADERSHIP REPRESENTATIVE WERE BETWEEN \$0 AND \$3.077 IN COMMISSIONS AND BONUSES.



LET OUR LIFESTYLE BONUS HELP YOU **ENJOY THE BEST IN LIFE!**

Earn \$700 a month for a full year when you achieve.

TWO WAYS TO ACHIEVE:

MAINTAIN 'PAID TITLE' SENIOR EXECUTIVE LEADER (SEL)

or above 18 out of 26 campaigns of the current year.

AND:

INCREASE YOUR TOTAL TEAM SALES* DURING C1-C26 of the current year vs. C1-C26 of the prior year**.

AND:

Have a 'PAID TITLE' of SENIOR EXECUTIVE LEADER or above in C26 of the current year.



INCREASE YOUR TOTAL TEAM SALES* IN C1-C26 of the current vs. C1-C26 of the prior year** by \$10,000 for each campaign not qualified under the minimum requirements of 18 out of 26 campaigns 'PAID TITLE' of SENIOR EXECUTIVE LEADER or above. Example: If you have a 'Paid Title' of SEL 16/18 campaigns, you must have a minimum \$20,000 incremental Total Team Sales increase vs. prior year**.

AND:

Have a 'PAID TITLE' of SENIOR EXECUTIVE LEADER or above in C26 of the current year.

*TOTAL TEAM SALES is equal to your 1st. 2nd and 3rd Generation sales and excludes Personal QV. **TOTAL TEAM SALES OR MINIMUM \$700,000, whichever is greater. Sales increase is cumulative. For complete program details, see the LIFESTYLE BONUS TERMS AND CONDITIONS by signing in to avon.ca, and clicking on Earning Opportunities > Incentives.

THE 2022 EARNINGS OF A TYPICAL AVON LEADERSHIP REPRESENTATIVE WERE BETWEEN \$0 AND \$3,077 IN COMMISSIONS AND BONUSES.

THE PATHWAY TO YOUR **MENTORSHIP SUCCESS**

How will you be supported while building your Mentorship business? We're here to help! Your Upline Leader or Mentor will support you and your Team to develop the training and skills needed for you and your Team to be successful Mentors to others.

A strong Mentorship business begins with a strong foundation, and that's the first step to your success!

Your Mentor looks forward to supporting you as you develop a "New Mentor Earnings Planner", this important first step will enable you to establish the actions, activities and partners to support you to grow your Sales Team and earn the commissions and bonuses you've set goals to achieve; your business, your earnings, your choice!

Avon reserves the right to modify any and all aspects of the Leadership Compensation and Rewards program, and all incentives and programs, including termination, at any time and without prior notice, at its sole discretion. Avon reserves the right, at its sole discretion, to disqualify Leaders involved in fraudulent or unethical business practices. All Leaders must abide by the Avon Independent Sales Representative Agreement, General Policies and Procedures, Leadership Policies and Procedures and other applicable policies, procedures and documentation. All Rewards, recognition status and benefits achieved by the Leader will be conditional on the Leader's account being in good credit standing. Actions of the members of the Leader's Unit (Downline) can affect their qualification for incentive and recognition programs, and, in certain cases, can affect their status and/or bonus and/or commission payout. Avon reserves the right to offset any outstanding balance due against any amounts payable by Avon to the Leader. Avon reserves the right to withhold and/or annul the payment of any bonuses and/or commissions if a disproportionately large part of a Leader's downline is in bad debt.

THE 2022 EARNINGS OF A TYPICAL AVON LEADERSHIP REPRESENTATIVE WERE BETWEEN \$0 AND \$3,077 IN COMMISSIONS AND BONUSES.