2025

# Canada Compensation Guide



### Ambassador Commissions

Selling products to customers is at the heart of your business. Happy, satisfied customers who use our products are the foundation of a successful business. No matter how high up the success ladder you climb, and no matter how large your organization becomes, everyone leads by example in personal sales. When products are sold, you make money, team members make money, and everyone is inspired to continue growing their business.

- Campaign Sales are calculated based on the Customer Price (the suggested retail selling price) and may include personal orders and customer purchases.
- ► As your campaign sales volume increases, your commissions increase.
- ► Avon products are grouped into different product categories. The commission level varies based on the product category.
- ► The chart below indicates the commission levels based on campaign sales and product category for all Ambassadors.

CAMPAIGN SALES	BEAUTY/ JEWELLERY	FASHION/ HOME
\$40-\$119.99	20%	20%
\$120-\$349.99	30%	20%
\$350-\$1,499.99	40%	25%
\$1,500 -\$6,499.99	45%	25%
\$6,500+	50%	25%

#### Compensation at a Glance

TITLE	PERSONAL SALES	TOTAL UNIT SALES*	QUARTERLY PERSONAL QNR	MINIMUM TEAM SALES 1ST GEN**	EARN	MINIMUM TEAM SALES 2ND GEN**	EARN	MINIMUM TEAM SALES 3RD GEN	EARN
Advanced Leadership Director	\$125	\$180,000	1	\$55,000	7%	\$75,000	11%	\$44,000	6%
Senior Executive Leader	\$125	\$36,000	1	\$11,000	6%	\$15,000	10%	\$8,000	5%
Executive Leader	\$125	\$12,000	1	\$4,500	6%	\$4,000	8%	\$0	5%
Advanced Unit Leader	\$125	\$5,000	1	\$3,000	5%	\$1,800	5%	\$0	1%
Unit Leader	\$125	\$850	1	\$700	5%	\$0	2%	your Gen. 1, 2 and Personal	ales is equal to 2 and 3 QV Sales Sales (QV). Sales is equal to

<sup>1</sup>Team Sales is the summation of your Personal Sales plus G1, G2 and G3 team sales.

<sup>2</sup> Quarterly Personal QNR Requirement - must have a minimum of 1 Personal QNR (Qualified New Recruit) every 4 Campaigns within the fixed scheduled to maintain Leadership bonus payouts. Additionally a Leader will be allowed a 2 campaign grace period to meet the requirement to maintain downline attachment. See details in the Quarterly Personal QNR Requirement section.

<sup>3</sup> Earn a 3% bonus on the sales of new recruits when you have a minimum of \$50 in Personal Sales.

<sup>4</sup> Generation Bonuses are calculated at net team sales from your downline.

<sup>5</sup> Leader Bonuses are calculated at net team sales of Leaders and Executive Leaders in your downline.

<sup>6</sup> You will receive a Lifestyle Bonus each campaign that you continue to meet your title qualifications.

Avon's compensation plans, including the Leadership program, are subject to change at any time at Avon's sole discretion. See Avon.ca for updates.

#### NEW Biz Bonuses

You become 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.

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 Ambassadors (1) has sales between \$75 and \$149.99 Qualifying Volume (QV) (2), and you'll earn 5% of their net sales (3) for each campaign that they reach that target within their 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 Ambassador's net sales in their first 6 campaigns.

	IZ BONUS NERATION	NEW BIZ BONUS 2ND GENERATION			
From Ne	<b>d All Titled Leaders</b> ew Biz Sales* neration**	Candidate and All Titled Leaders From New Biz Sales* 2nd Generation**			
Sales between \$75 - \$149.99	Sales above \$150	Sales between \$75 - \$149.99	Sales above \$150		
5%	10%	2.5%	5%		

(1) A NEW AMBASSADOR is an Ambassador with less than seven (7) campaigns with AVON. Their 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, 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 Ambassador segment discount.

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

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

i.e. G1 are your personal appointments or Ambassadors that you inherited.

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

### Fast Track Bonuses

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.

CAMPAIGNS												
1ST	2ND	3RD	4TH	5TH	6ТН	7TH	8TH	9TH	10TH	11TH	12TH	13TH
	Total Unit Sales** – QV Sales Qualifiers in Each Campaign											
\$850	\$1,050	\$1,250	\$1,500	\$1,750	\$2,000	\$2,250	\$2,500	\$3,000	\$3,500	\$4,000	\$4,500	\$5,000
	EARN											
\$100	\$100	\$150	\$150	\$200	\$300	\$300	\$300	\$400	\$400	\$400	\$500	\$700
	ACHIEVE THE FOLLOWING 2 QUALIFIERS IN ALL 13 CAMPAIGNS AND EARN A \$1,000 CONTINUITY BONUS!*											
	FAST TRACK QUALIFIERS:											
1. Sell \$125 QV in each campaign. <b>2.</b> Meet Total Unit Sales in each campaign. <b>3</b> . 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. MUST ACHIEVE BOTH QUALIFIERS in each of the thirteen (13) campaigns to earn the Continuity Bonus.

\*\*TOTAL UNIT SALES are equal to your Gen. 1, 2 and 3 Sales and your Personal Sales (QV).

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

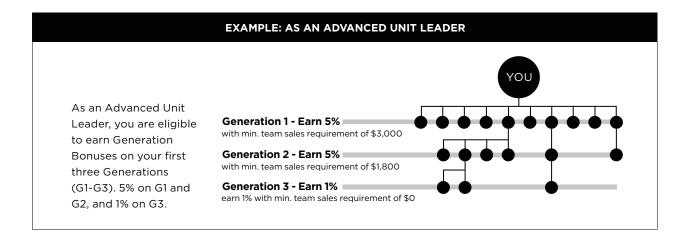
If a Leader meets the Fast Track qualifiers, Fast Track earnings will be the highest amount between the Fast Track program and the residual commissions.

#### Generation Bonuses

#### Your earning potential grows as you build a strong team.

When you become a Unit Leader, you begin earning a bonus on the Team Sales\* of your team. The percentage you earn and the number of Generations that you are paid on are based on your performance title, regardless of the titles of the Ambassadors in your Generations. This bonus is paid in addition to any other bonuses you might earn on your team sales.

- ▶ To be paid, you must meet the Personal Sales of \$125 QV.\*
- 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, processing, etc. QV is NET of returns.
- ▶ TOTAL TEAM SALES is equal to your Gen. 1, 2 and 3 QV Sales.



### Leader Bonuses

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 mentor others.

#### **Title Achievement - Regular or Accelerated**

Personal Title Achieve and Maintain Bonuses\* are earned each time you advance to a higher Title for the first time. Bonuses can total up to \$25,200.

#### **Downline Title Achievement - Regular or Accelerated**

**Downline Title Achieve and Maintain Bonuses**\* are earned each time a Leader of your 1st generation advances to a higher Title for the first time. You earn as much as your Downline!

TITLE	REGULAR BONUS UP TO	ACCELERATED BONUS** UP TO	TITLE	REGULAR BONUS UP TO	ACCELERATED BONUS** UP TO
ADVANCED LEADERSHIP DIRECTOR	\$10,000	18 campaigns \$15,000	ADVANCED LEADERSHIP DIRECTOR	\$10,000	18 campaigns \$15,000
SENIOR EXECUTIVE LEADER	\$5,000	18 campaigns \$7,500	SENIOR EXECUTIVE LEADER	\$5,000	18 campaigns \$7,500
EXECUTIVE LEADER	\$1,200	13 campaigns \$1,800	EXECUTIVE LEADER	\$1,200	13 campaigns \$1,800
ADVANCED UNIT LEADER	\$800	13 campaigns \$1,000	ADVANCED UNIT LEADER	\$800	13 campaigns \$1,000
UNIT LEADER	\$400	6 campaigns \$600	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.

## Lifestyle Bonuses

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.

OR:

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.

### Quarterly Personal QNR Requirement

- During each quarterly period a Unit Leader and Above must have at least 1 New Personal QNR to meet the requirement for Leadership Bonus Program Payouts.
- Personal QNR is defined as a New Personally Sourced Ambassador that places a first order with a minimum order value of \$100.

• \$100 qualifying order may be from either a single order (example: a \$100 order in C14), or cumulative sales from multiple orders within the same campaign.

• All new personally sourced qualified new recruits will have the campaign that they joined plus 2 full campaigns to place the \$100+ order. Leaders will have 2 full campaigns of opportunity to help new personally sourced recruits to get to the \$100+ order.

• The clock to count for the 1st or 2nd campaign will start after the close of the campaign in which new recruits signed up with Avon. Therefore, even new recruits who joined Avon in the last day of the campaign will have 2 full campaigns to place the \$100+ order in one of those 2 campaigns. Example: Personally sourced recruits who joined in C18, 2025 and haven't placed a \$100+ order in either C18 or C19, 2025, can still place an order in C20, 2025 to count towards the Leader's qualification.

► Unit Leaders and above will be given a grace period of 2 campaigns to have at least 1 New Personal QNR to reinstate Leadership Bonus Program payout and retain downline.

• If the Quarterly Personal QNR Requirement is not met, the Ambassador will be removed from the Leadership Bonus Program and they will no longer be entitled to receive earnings on their former Downline after the date of removal.

• Linkage to Downline will be irrevocably broken and Ambassador forfeits future earnings.

See the Quarterly Personal QNR Requirement timetable on the following page for more details.

#### Quarterly Personal QNR Requirement Timetable

CAMPAIGNS	TIMING
C1-C6	C1-C4: Unit Leader and Above must have at least 1 New Personal QNR to meet the requirement for Leadership Bonus Program Payouts. C5-C6: If the above requirement is not met, Promotor and Above will be given a grace period to have at least 1 New Personal QNR to reinstate Leadership Bonus Program payout and retain downline.
C7-C12	C7-CIO: Unit Leader and Above must have at least 1 New Personal QNR to meet the requirement for Leadership Bonus Program Payouts. C11-C12: If the above requirement is not met, Promotor and Above will be given a grace period to have at least 1 New Personal QNR to reinstate Leadership Bonus Program payout and retain downline.
C13-C18	C13-C16: Unit Leader and Above must have at least 1 New Personal QNR to meet the requirement for Leadership Bonus Program Payouts. C17-C18: If the above requirement is not met, Promotor and Above will be given a grace period to have at least 1 New Personal QNR to reinstate Leadership Bonus Program payout and retain downline.
C19-C24	C19-C22: Unit Leader and Above must have at least 1 New Personal QNR to meet the requirement for Leadership Bonus Program Payouts. C23-C24: If the above requirement is not met, Promotor and Above will be given a grace period to have at least 1 New Personal QNR to reinstate Leadership Bonus Program payout and retain downline.
C25-C26	Seasonal Blackout: Quarterly Personal QNR Requirement will not apply.

Avon reserves the right to modify any and all aspects of the 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 Ambassadors involved in fraudulent or unethical business practices. All Ambassadors must abide by the Avon Independent Sales Ambassador Agreement, Policies and Procedures and other applicable policies, procedures and documentation. All Rewards, recognition status and benefits achieved by the Ambassador will be conditional on the 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 Ambassador. 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.

