About the New Commission Structure (Effective Campaign 1, 2025)

1. What is the new commission structure starting in 2025?

The new structure introduces variable commissions based on total Campaign Sales volume. Commissions increase as your Campaign Sales grow, rewarding you with up to 50% commission for Beauty & Jewelry products. Refer to the 2025 Compensation Guide for more details.

2. How does the new commission structure differ from the current one?

Currently, commissions are based on annual sales tied to the President's Recognition Program. Starting January 2025 Campaign 1, commissions will be determined on a per-Campaign basis, providing faster and more frequent earning opportunities.

3. What qualifies as Campaign Sales?

Campaign Sales include both customer purchases and personal orders calculated at the suggested retail price.

4. How do commissions vary for different product categories?

- Beauty & Jewelry Products:
 - \$40-\$119.99: 20% commission
 - \$120-\$349.99: 30% commission
 - \$350-\$1,499.99: 40% commission
 - \$1,500-\$6,499.99: 45% commission
 - \$6,500+: 50% commission
- Fashion & Home Products:
 - \$40-\$349.99 20% commission
 - o \$350.00 +25% commission

5. Why is the new commission structure being implemented?

The new structure simplifies earnings, rewards performance, and harmonizes commission tiers across the U.S. and Canada, making it easier and faster for all Ambassadors to maximize their earnings.

6. How will my total Campaign Sales volume be calculated in the new variable commissions?

The new structure introduces variable commissions based on total Campaign Sales volume. Commissions increase as your Campaign Sales grow and orders are placed. If total Campaign Sales volume increase into the next threshold through Ambassador placing orders on Avon.com/Avon.ca including your personal purchases and your customers' orders the Ambassador will see the commissions increase in the Shopping Bag- Order Summary.

If Ambassador receives Avon.com/Avon.ca order Direct Delivery Order (or credit received on an Online Store sale) your total Campaign Sales volume will be adjusted "Trued Up" to total Campaign Sales volume at the close of campaign.

7. How will my total Campaign Sales volume be calculated and paid for orders received from Customers via Avon.com/Avon.ca orders (Direct Delivery Order).

Customer orders placed on your online store Avon.com/Avon.ca are credited to your campaign total Campaign Sales volume at the close of the Campaign and will count towards the total Campaign Sales volume.

All orders placed on your online store Avon.com/Avon.ca will receive payout of a fixed commissions percentage of 20% via Avon Wallet. At the close of campaign orders from Avon.com/Avon.ca including your personal purchases and your customers' orders via your online store will be adjusted "Trued Up" to appropriate commissions level.

8. Is an Avon Wallet account required to receive total Campaign Sales volume adjustment "Trued Up" to appropriate commissions level?

Yes- Ambassadors will be required to register for an Avon Wallet account (provided by Hyperwallet) to receive any payments, incentives, or rewards. You must provide a social security number, ITIN number or social insurance number.

9. How will Returns effect total Campaign Sales volume?

For all other items, credit will be applied once the items have been received and processed in the National Returns Processing Center. Total Campaign Sales volume will adjusted/deducted from the campaign the return is processed and variable commissions base will

reflect credit or deduction to Avon Account within the Campaign it is processed or the following. Refer to Avon.com/ Avon.ca FAQ – Returns for more details.

Recognition Titles (Replacing the President's Recognition Program)

10. What are the new Recognition Titles being introduced in 2025?

The new titles are based on your 2024 annual sales volume and include:

Ambassador: Up to \$4,999
5-Star Ambassador: \$5,000+
10-Star Ambassador: \$10,000+
Elite Ambassador: \$25,000+
Diamond Ambassador: \$50,000+
Platinum Ambassador: \$100,000+

You can also level up to the next Recognition Title through the year.

11. How are the new Recognition Titles determined?

Your Recognition Title for 2025 will be based on your 2024 annual sales volume, ensuring your prior year's efforts are recognized.

12. Will there be benefits tied to these new Recognition Titles?

Yes! Details about the exciting benefits tied to each title will be shared in early 2025.

13. What happens to the President's Recognition Program?

The President's Recognition Program will sunset at the end of 2024, and the new Recognition Titles will replace it starting in Campaign 1, 2025.

14. What should I focus on during the transition period?

Focus on maximizing your 2024 sales to achieve a higher Recognition Title in 2025 and take advantage of any incentives, such as the 5-Star & 10-Star Shipping Rebate Incentive. Refer to the Incentives Hub on Avon.com/ Avon.ca for more details.

Leadership Program Changes (Effective Campaign 7, 2025)

15. What is the new Personal QNR requirement for Leadership Bonuses?

Starting in Campaign 7, 2025, leaders at the Promoter level and above (US) and Unit Leader and above in (CA) must have at least one Personal Qualified New Recruit (QNR) each quarter to qualify for leadership bonuses. Personal QNR is defined as a New Personally Sourced Ambassador that places a first order with a minimum order value of \$100.

16. What is a Personal Qualified New Recruit (QNR)?

Personal Qualified New Recruit QNR is a personally generated new Ambassador who places a qualifying order within the campaign that they joined plus 2 full campaigns with a minimum order value of \$100+. Refer to 2025 Compensation Guide for details.

17. How will the new Personal QNR requirement impact current leaders?

The QNR requirement begins in Campaign 7, 2025, giving leaders Campaigns 1–6 to prepare and refine their recruitment strategies.

18. Will there be any changes to Leadership Titles?

Yes, the Ambassador Leadership Titles will transition to Promoter Titles to reduce confusion in the US only: (No Change to Leadership Titles in Canada)

- Star Promoter
- Bronze Promoter (formerly Bronze Ambassador)
- Silver Promoter (formerly Silver Ambassador)
- Gold Promoter (formerly Gold Ambassador)

All other Leadership Titles, bonus programs, and qualifications remain unchanged.

19. What happens if I don't meet the QNR requirement?

Leaders who don't meet the quarterly QNR requirement will be removed from the Leadership Bonus Program, and they will no longer be entitled to receive earnings on his or her former Downline after the date of removal.

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

Incentives and Transition Support

20. Will there be incentives to help Ambassadors during the transition?

Yes! Avon will offer a 5- Star & 10 - Star Shipping Rebate incentive for Ambassadors who achieve 5-Star status or above by the end of 2024. Additional details will be shared in the Incentives Hub on Avon.com and Avon.ca

21. How does the New Ambassador Allocation Incentive work?

The New Ambassador Allocation Incentive harmonizes incentives across the U.S. and Canada, replacing the "Take The Lead Program" in Canada. It provides leaders with more opportunities to grow their teams. Additional details will be shared in the Incentives Hub on Avon.com and Avon.ca

22. Will there be training or resources to help with these changes?

Yes, Avon will provide training supports and the 2025 Compensation Guide to help Ambassadors and leaders prepare for the updates. More Details to come on the Events Calendar on Avon.com and Avon.ca and The Buzz to register for upcoming trainings.

Commitment to the Direct Selling Model

23. Are these changes moving Avon toward an affiliate model?

No, Avon remains fully committed to the direct selling model. These updates simplify and modernize your earning potential while reaffirming our dedication to direct selling.