

Company Profile

Avon, the company for women, is a leading global beauty company with \$10 billion in annual revenue. As the world's largest direct seller, Avon markets to women in 100 countries through 5.4 million Avon Independent Sales Representatives. Avon's product line includes beauty products, fashion jewelry and apparel.



Success Story: AVON Products, Inc.

Challenge

The challenge to AVON Products was three fold:

(1) to communicate every aspect of their cash compensation program to district sales managers, (2) present a clear picture of their executives' pay and equity programs, and (3) find a vendor with the flexibility and expertise to provide a consistent AVON brand.

Solution

After previously utilizing the services of a national consulting firm, Avon approached TotalRewards Software, Inc. (TRS) to prepare its compensation statements. Using its TotalRewardsBuilder.com software platform, the TRS professional services team created a fully personalized compensation statement for each district sales managers. In addition, a comprehensive total compensation statement was produced for AVON's global executives highlighting each cash compensation component. The statements were also available over the Internet.

An web based administrative platform allowed Avon to modify or change messaging and content, preview any managers' and executives' statement, and edit or delete individual records.

Results

AVON was able to deliver a communication piece that delivered timely, valuable and personalized total compensation information to their top managers and global executives. These key employees now understand the breadth and value of their rewards programs provided by AVON.

"Our executives were extremely pleased to be able to see all of their executive rewards in one easy to understand format," said Diane Abrianno, Senior Manager of North American Compensation at AVON Products, Inc.

"Now that the project has been completed, I wanted to let you know that (our Account Manager) has been such a pleasure to work with. She is very professional, flexible, and customer oriented. She always went out of her way to make the formatting changes we wanted in a timely manner. I appreciated all of her support."

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Diane Abrianno
Senior Manager, N. America
Compensation
Avon Products, Inc.

More than 500 companies have come to rely on TotalRewardsBuilder.com – the first, on-demand total compensation statement software to communicate total compensation value to employees, new hires and candidates.

To learn how TotalRewards Software, Inc. can maximize your company's investment in human capital, please contact us at toll free (866) 478-6428 or visit us at www.TotalRewardsSoftware.com.



TotalRewards Software

YOUR 2013 EXECUTIVE REWARDS

Prepared for: Sample Aaronson

As a member of Avon's Executive team, you participate in a comprehensive reward program, designed to recognize you for your performance and your potential contributions to our company's success. This statement summarizes your executive compensation opportunity for 2013, provides estimates of the potential future value of your rewards, and summarizes your previous long-term awards.

"Our executives were extremely pleased to be able to see all of their executive rewards in one easy to understand format."

Diane Abrianno
Senior Manager, N. America
Compensation
Avon Products, Inc.



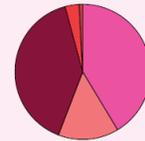
AVON
the company for women

AVON

One TEAM One AVON

Your 2013 Annual Executive Rewards

Unless otherwise noted, values are in USD



Base Salary:	250,730
Annual Incentive Target:	87,756
LTIP Award:	242,100
Perquisites:	21,000
Dividend Equivalent Rights:	2,405

2013 Base Salary	250,730
Assumed base salary for January 1 to March 17: 242,100	
Assumed base salary for March 18 to December 31: 253,000	
2013 Annual Incentive Target	87,756
Your target award is calculated using the estimated 2013 base salary shown above	
Your target award as a percentage of base salary: 35%	
Your estimated maximum award (200% of target): 175,511	
Target Value of 2013 Long Term Incentive Program (LTIP)	242,100
Your target award is provided as a mix of 60% PRSUs and 40% RSUs	
Your target award as a percentage of your base salary*: 100%	
Number of PRSUs granted to you: 7,227	
Number of RSUs granted to you: 4,818	
The payout percentage for PRSUs is based on achievement against specific company goals over the three-year performance period (2013-2015) and may range from 0% to 200% of target	
Estimated Value of 2013 Executive Perquisites	21,000

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Summary of Your Outstanding Awards

The following table lists your outstanding equity and performance cash grants (unvested stock options, vested but unexercised stock options, unvested RSUs and PRSUs and performance cash). The table does not include options you have already exercised or RSUs that have already vested. For more information about your grants visit the Morgan Stanley web site at www.benefitsaccess.com.

Note: All values shown are based on the stock price of \$22.86 as of 15 July 2013 and are subject to change. Values are in U.S. Dollars.

Stock Options

Grant Date	Expiration Date	Options Vested but Unexercised	Options Unvested	Exercise Price	Vested Value as of 07/15/2013	Unvested Value as of 07/15/2013
03/11/2010	03/11/2020	8,475	0	\$31.61	\$0	\$0
Total		8,475	0		\$0	\$0

Restricted Stock Units (RSUs)

Grant Date	Vesting Date	Number Unvested	Unvested Value as of 07/15/2013
03/15/2013	03/15/2016	4,818	\$110,139
Total		4,818	\$110,139

Performance Restricted Stock Units (PRSUs)

Grant Date	Vesting Date	Shares Unvested (at target)
03/15/2013	03/15/2016	7,227
Total		7,227

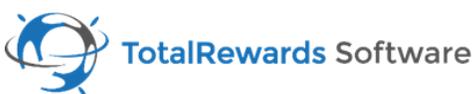
Performance Cash

Component	Target Value
2011 LTIP	\$71,000
2012 LTIP	\$71,000
2012 Performance Cash Uplift Award	\$153,000
Total	\$295,000

Outstanding Award Value*

The chart to the right shows the potential future value in U.S. Dollars of your outstanding awards at different potential future stock prices.

* The chart does not include PRSUs and Performance Cash granted in 2011, as it is unlikely there will be a payout for these awards.



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