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Avon Products, Inc. Announces CEO Transition Plan

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LONDON, Aug. 3, 2017 /PRNewswire/ -- Avon Products, Inc. (NYSE: AVP), a globally recognized leader in direct selling of beauty and related products, today announced that Sheri McCoy will step down as Chief Executive Officer and as a director on March 31, 2018, in line with her commitments to Avon's Board of Directors to transform the business.

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"Leading Avon for the past five years alongside Avon's dedicated management, associates and Representatives has been an honor, and I am proud of what we have achieved together," said Sheri McCoy, Chief Executive Officer, Avon Products Inc. "We've made great progress in strengthening the Avon brand through new positioning, increased investment in social media, and innovative, high-quality products. We continue to live up to our purpose of empowering women by supporting and advancing Avon's global network of nearly 6 million women, while also having rebuilt a culture of accountability. Today the Avon brand has nearly 100% awareness in top markets and is the #1 direct selling beauty company in the world. Since the launch of Avon's three-year Transformation Plan, we successfully separated the North America business and significantly strengthened the Company's financial position. With the successful recruitment of a senior executive team with the skill and experience to implement the next phase of our strategy, the platform is in place for a new CEO to continue accelerating the pace of change and take Avon to sustainable profitable growth. I look forward to continuing to drive the Avon business forward and to working with our leadership team to ensure a smooth transition."

Commenting on behalf of the Board, Chan Galbato, non-executive Chairman of Avon Products' Board of Directors, said, "Sheri has been a steward for Avon, leading the Company through a transformative period for the business that has included instituting a culture of accountability. Sheri has launched critical initiatives to meet the challenges of global economic and industry trends, strengthening Avon's brand and reinforcing its leading position in beauty while ensuring Avon Representatives remain at the forefront of all the Company does. Most recently, Sheri has set Avon on a path to improved growth and profitability through the design and execution of the Company's strategic plan and the recruitment of a team of executives to carry the plan to the next phase. We thank Sheri for her continued commitment to Avon as the Company embarks on its next chapter."

Since joining the Company in 2012, Ms. McCoy has been responsible for driving long-term growth objectives, developing earnings opportunities for women and advancing Avon as the world's premier direct seller of quality beauty products. With a core focus on Avon's brand relevance and Representatives,

she has been the architect of successful initiatives such as "Beauty for a Purpose" while also bringing Avon to new generations of women through digital investments and market-leading product innovation. During Ms. McCoy's tenure, Avon has sustained its position as the #1 direct selling beauty company, and has risen to become the #1 Word of Mouth Beauty Brand and the #3 Beauty Brand on Facebook. She has helped build Avon's leadership in beauty globally, including the Company's top-3 market share position in color cosmetics, skincare and fragrance in the majority of our key markets. Additionally, Ms. McCoy has led the Company through challenging macroeconomic headwinds, launching the Company's three-year Transformation Plan in 2016 and successfully executing the separation of Avon's North America business. In its first year, the plan has strengthened the Company's balance sheet with reduced leverage, extended the maturity of the debt portfolio, and achieved \$180 million of annualized cost savings. In 2017, as part of Avon's focus on international markets and efforts to realign the Company's cost structure, Ms. McCoy also led the Company's relocation of its corporate headquarters to the UK while implementing key enablers to drive the roadmap to growth.

Avon's Board has retained Heidrick & Struggles, a leading executive search firm with particular expertise in the consumer goods industry, to assist in identifying Ms. McCoy's successor.

Separately, the Company today announced its results for the quarter ended June 30, 2017.

About Avon Products, Inc.

Avon is the Company that for 130 years has proudly stood for beauty, innovation, optimism and, above all, women. Avon products include well-recognized and beloved brands such as ANEW, Avon Color, Avon Care, Skin-So-Soft, and Advance Techniques sold through nearly 6 million active independent Avon Sales Representatives.

Forward Looking Statements

This press release contains "forward-looking statements" that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including turnaround of the Company's business, achieving its stated long-term financial goals, the execution of its strategic plan to create consistent, sustainable and profitable growth, and its planned executive changes. Because forward-looking statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the possibility of business disruption, competitive uncertainties, and general economic and business conditions in Avon's markets as well as the other risks detailed in Avon's filings with the Securities and Exchange Commission. Avon undertakes no obligation to update any statements in this press release for changes that happen after the date of this release.

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