Avery Dennison Corporation - Climate Change 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Avery Dennison Corporation is a global materials science and digital identification solutions company that provides branding and information labeling solutions, including pressure-sensitive materials, radio-frequency identification (RFID) inlays and tags, and a variety of converted products and solutions. The company designs and manufactures a wide range of labeling and functional materials that enhance branded packaging, carry or display information that connects the physical and the digital, and improve customers' product performance. The company serves an array of industries worldwide, including home and personal care, apparel, e-commerce, logistics, food and grocery, pharmaceuticals and automotive.

In 2022, we changed our operating structure to align with our overall business strategy. The information disclosed in this response is reported based on our new reportable segments.

These changes resulted in a new segment, Materials Group, comprising our former Label and Graphic Materials (LGM) segment and Industrial and Healthcare Materials (IHM) segment. Additionally, our former Retail Branding and Information Solutions (RBIS) segment was renamed as Solutions Group.

We operate in more than 50 countries worldwide with approximately 200 manufacturing and distribution facilities and 36,000 employees. In 2022, our global net sales were $9.0 billion, and our Materials Group and Solutions Group reportable segments made up approximately 72% and 28%, respectively, of our total net sales. Further information about Avery Dennison, our business, and our organizational structure can be found at www.averydennison.com.

To the extent possible, Avery Dennison has aligned our CDP responses with our practices and procedures. Due to the nature of the CDP Questionnaires, such as the drop-down options provided, there may be some variability between actual and reported practices and procedures. In addition, forward-looking statements are subject to certain risks and uncertainties, which could cause actual results to differ materially from the results, performance or achievements expressed or implied thereby.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
No

Select the number of past reporting years you will be providing Scope 1 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for
<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

Argentina
Australia
Austria
Bangladesh
Belgium
Brazil
Cambodia
Canada
Chile
China
Colombia
Croatia
Czechia
Denmark
Dominican Republic
El Salvador
Finland
France
Germany
Honduras
Hong Kong SAR, China
India
Indonesia
Ireland
Israel
Italy
Japan
Luxembourg
Malaysia
Mauritius
Mexico
Netherlands
New Zealand
Norway
Pakistan
Philippines
Poland
Republic of Korea
Romania
Singapore
South Africa
Spain
Sri Lanka
Sweden
Switzerland
Taiwan, China
Thailand
Turkey
Ukraine
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	Yes [Consumption only]

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason
Do not own/manage land

Please explain
Avery Dennison works with suppliers and does not own or manage our own land for the purpose of forestry, forestry product or agriculture.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity
Timber

% of revenue dependent on this agricultural commodity
60-80%

Produced or sourced
Sourced

Please explain
Our products include pressure-sensitive materials for labels and graphic applications, tapes and other bonding solutions for industrial, medical and retail applications, tags, and labels. This is reflected in the high percentage of timber-based products related to revenue. This timber-based material is sourced from paper manufacturers, as Avery Dennison does not manage any forestry or agricultural operations.

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	AVY

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?
Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	Board oversight over environmental sustainability is primarily conducted by the Governance Committee, which receives a report from management on sustainability topics at least twice a year. The Governance Committee discusses environmental sustainability topics at committee meetings. The Governance Committee is responsible for reviewing and providing oversight over key environmental sustainability initiatives, policies, and programs, including climate-related issues and other environmental matters of interest to our stakeholders. This includes reviewing with management the impact of the business operations and practices with respect to matters of environmental sustainability. The Committee is also responsible for reviewing the shareholder engagement process, results, and feedback with respect to environmental sustainability and making recommendations to the Board, as appropriate. Board oversight over social sustainability is conducted primarily through the Talent and Compensation Committee, which reviewed DEI, including pay equity and transparency, at multiple meetings in 2022 and regularly discusses other matters related to talent management. In addition, our full Board engages business leaders on their sustainability initiatives during its regular review of business strategies. Our business has seen an increased focus on sustainable packaging and changing market conditions and consumer preferences. Our Board determined it was a strategic priority to ensure we are well-positioned to meet the increasing need and demand for more sustainable products. In recent years, we also reinvigorated our innovation program, including assessing and addressing risks related to investment in disruptive technologies. We continued to invest in initiatives focused on recyclability and enabling circularity and waste reduction and elimination. For example, our Sustainability Strategic Innovation Platform is investigating projects that increase material recyclability and the use of recycled content across the industries we serve, and innovations to reduce the environmental impact of our raw materials. Solutions that advance the circular economy support greenhouse gas emissions reductions across our value chain and enable the climate-related and sustainability goals of our value chain partners.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing the setting of corporate targets Monitoring progress towards corporate targets Reviewing and guiding the risk management process	<Not Applicable>	The Governance Committee of our Board of Directors discusses environmental sustainability topics, which may include climate-related issues, at committee meetings. The Governance Committee also receives a report from management at least twice a year on sustainability performance. The Talent and Compensation Committee oversees our CEO and NEO compensation and incentives, including those tied to sustainability, such as our GHG emissions reduction goals. The Committee has determined that our existing compensation practices and talent management priorities reflect our ESG strategies, hold our leaders accountable and reward results. Our full Board also engages with business leaders on their sustainability initiatives during its regular review of their business strategies. The Board is responsible for overseeing our enterprise risk management (ERM) program. The teams leading our businesses have incorporated ERM into developing and executing their strategies, assessing the risks impacting their businesses, and identifying and implementing appropriate mitigating actions on an ongoing basis. Additionally, in consultation with our Chief Compliance Officer and senior management, these teams semiannually prepare a risk profile consisting of a heat map and a summary of their key risks and mitigating strategies, which are used to prepare a company risk profile based on identified business-specific risks. As part of the ERM process, we included sustainability trends and environmental regulation as a standalone risk. We consider additional climate topics as amplifiers of existing risks. In 2015, we established our 2025 sustainability goals to improve the sustainability of our products and processes and create value for all our stakeholders. In the first seven years of the 10-year horizon for our 2025 sustainability goals, we made meaningful progress towards these goals. We believed it was important to establish another set of ambitious targets aligned with our business strategy and stakeholder priorities. Our Sustainability Council and Company Leadership Team, including our Chairman/CEO, worked together to develop 2030 goals that exemplify our strategy to lead in an environmentally responsible manner and leverage the capabilities of our company when we collaborate with our suppliers and customers. We established our goal to, by 2030, reduce our Scope 1 and 2 GHG emissions by 70% from our 2015 baseline and work with our supply chain to reduce our 2018 baseline Scope 3 GHG emissions by 30% - with an ambition of net zero by 2050. We are currently on track to achieve our 2025 sustainability goals and have accelerated our plans to deliver our 2030 goals.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	Our Chairman/CEO is engaged in our climate-related initiatives and is considered competent on these issues. Further, we have a new Board member as of February 2023 who serves in a sustainability-focused executive role and brings that sustainability experience and industry network to our Board. We consistently consider other qualifications by which to measure Board competency on climate-related issues.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee
Chief Executive Officer (CEO)

Climate-related responsibilities of this position
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
As Chairman of the Board, our CEO provides strategic guidance and direction to ensure we continue to make meaningful sustainability progress. The CEO approves major sustainability actions, given their material impact on the company. Our CEO provides direction to our president and COO, who leads sustainability for the company and is accountable for continued progress towards achieving our sustainability goals.

Our Sustainability Council (SC) is a cross-divisional group of sustainability leaders that drive accountability and continually accelerate our progress. The group which met regularly during 2022 provides regular updates to the executive leadership team. Through this process, we complete a quarterly sustainability progress scorecard for the Board's review. At least annually, SC members present sustainability trends and our sustainability strategic plan to our Company Leadership Team.

Our 2025 sustainability goals include a 3% absolute reduction year-over-year and at least a 26% overall reduction, compared to our 2015 baseline, by 2025. In the first seven years of the 10-year horizon for our 2025 sustainability goals, we have made meaningful progress towards these goals. We believed it was important to establish another set of ambitious targets aligned with our business strategy and stakeholder priorities. In 2020, our Sustainability Council and Company Leadership Team, including our Chairman/CEO, worked together to develop 2030 goals that exemplify our strategy to lead in an environmentally responsible manner and leverage the capabilities of our company when we collaborate with our suppliers and customers. We developed our goals following the completion of our materiality assessment conducted in 2020. Our goals align with those topics that are determined to be the most important to our business and our stakeholders including GHG Emissions and Energy Use, Climate Resilience, Water Use, Materials Management, and Advancing the Circular Economy. We established our science-based targets, validated by SBTi, to, by 2030, reduce our Scope 1 and 2 GHG emissions by 70% from our 2015 baseline and work with our supply chain to reduce our 2018 baseline Scope 3 GHG emissions by 30% - with an ambition of net zero by 2050.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive
Chief Executive Officer (CEO)

Type of incentive
Monetary reward

Incentive(s)
Bonus – set figure

Performance indicator(s)
Progress towards a climate-related target

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Our CEO's annual incentive award is in part based on the Talent and Compensation Committee's evaluation of his performance against his predetermined strategic objectives for the year; in 2022, his objectives were to continue reducing scope 1 and 2 GHG emissions and formalizing a plan to reduce scope 3 emissions. Other Named Executive Officer (NEO) compensation decisions include consideration of their ESG-related achievements.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
In 2015, we established our 2025 sustainability goals to improve the sustainability of our products and processes and create value for all our stakeholders. In 2020, we developed 2030 goals that exemplify our strategy to lead in an environmentally responsible manner and leverage our company's capabilities when collaborating with suppliers and customers. We developed our goals following the completion of our materiality assessment conducted in 2020. Our goals align with those topics that are determined to be the most important to our business and our stakeholders including GHG Emissions and Energy Use, Climate Resilience, Water Use, Materials Management, and Advancing the Circular Economy. We established our science-based targets, validated by SBTi, to, by 2030, reduce our Scope 1 and 2 GHG emissions by 70% from our 2015 baseline and work with our supply chain to reduce our 2018 baseline Scope 3 GHG emissions by 30% - with an ambition of net zero by 2050.

This incentive's performance indicator is progress towards a climate-related target. It is specifically linked to our science-based emissions reduction targets.

Entitled to incentive
Energy manager

Type of incentive
Monetary reward

Incentive(s)
Bonus – set figure

Performance indicator(s)
Progress towards a climate-related target

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Environmental/Sustainability managers have overall accountability for ensuring public reduction targets are met.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
In 2015, we established our 2025 sustainability goals to improve the sustainability of our products and processes and create value for all our stakeholders. In 2020, we developed 2030 goals that exemplify our strategy to lead in an environmentally responsible manner and leverage our company's capabilities when collaborating with suppliers and customers. We developed our goals following the completion of our materiality assessment conducted in 2020. Our goals align with those topics that are determined to be the most important to our business and our stakeholders including GHG Emissions and Energy Use, Climate Resilience, Water Use, Materials Management, and Advancing the Circular Economy. We established our science-based targets, validated by SBTi, to, by 2030, reduce our Scope 1 and 2 GHG emissions by 70% from our 2015 baseline and work with our supply chain to reduce our 2018 baseline Scope 3 GHG emissions by 30% - with an ambition of net zero by 2050.

The incentive's performance indicator is progress towards a climate-related target. It is specifically linked to making progress toward our science-based emissions reduction targets.

Entitled to incentive
Environment/Sustainability manager

Type of incentive
Monetary reward

Incentive(s)
Bonus – set figure

Performance indicator(s)
Progress towards a climate-related target

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Each plant manager has strategic plans that include a number of key initiatives, including GHG reduction. Overall performance is measured against these key targets.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
In 2015, we established our 2025 sustainability goals to improve the sustainability of our products and processes and create value for all our stakeholders. In 2020, we developed 2030 goals that exemplify our strategy to lead in an environmentally responsible manner and leverage our company's capabilities when collaborating with our suppliers and customers. We developed our goals following the completion of our materiality assessment conducted in 2020. Our goals align with those topics that are determined to be the most important to our business and our stakeholders including GHG Emissions and Energy Use, Climate Resilience, Water Use, Materials Management, and Advancing the Circular Economy. We established our science-based targets, validated by SBTi, to, by 2030, reduce our Scope 1 and 2 GHG emissions by 70% from our 2015 baseline and work with our supply chain to reduce our 2018 baseline Scope 3 GHG emissions by 30% - with an ambition of net zero by 2050.

The incentive's performance indicator is progress towards a climate-related target. It is specifically linked to making progress toward our science-based emissions reduction targets.

Entitled to incentive
Facilities manager

Type of incentive
Monetary reward

Incentive(s)
Bonus – set figure

Performance indicator(s)
Progress towards a climate-related target

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Each facilities manager has strategic plans that include a number of key initiatives, including GHG reduction. Overall performance is measured against these key targets.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
In 2015, we established our 2025 sustainability goals to improve the sustainability of our products and processes and create value for all our stakeholders. In 2020, we developed 2030 goals that exemplify our strategy to lead in an environmentally responsible manner and leverage our company's capabilities when collaborating with our suppliers and customers. We developed our goals following the completion of our materiality assessment conducted in 2020. Our goals align with those topics that are determined to be the most important to our business and our stakeholders including GHG Emissions and Energy Use, Climate Resilience, Water Use, Materials Management, and Advancing the Circular Economy. We established our science-based targets, validated by SBTi, to, by 2030, reduce our Scope 1 and 2 GHG emissions by 70% from our 2015 baseline and work with our supply chain to reduce our 2018 baseline Scope 3 GHG emissions by 30% - with an ambition of net zero by 2050.

The incentive's performance indicator is progress towards a climate-related target. It is specifically linked to making progress toward our science-based emissions reduction targets.

Entitled to incentive
All employees

Type of incentive
Monetary reward

Incentive(s)
Bonus – set figure

Performance indicator(s)
Progress towards a climate-related target

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Performance-based annual Avery Dennison “Thank You” awards for activities such as sustainable product development and implementing projects with increased efficiency that lead to significant energy savings and progress towards emissions reduction.

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan
In 2015, we established our 2025 sustainability goals to improve the sustainability of our products and processes and create value for all our stakeholders. In 2020, we developed 2030 goals that exemplify our strategy to lead in an environmentally responsible manner and leverage our company’s capabilities when collaborating with our suppliers and customers. We developed our goals following the completion of our materiality assessment conducted in 2020. Our goals align with those topics that are determined to be the most important to our business and our stakeholders including GHG Emissions and Energy Use, Climate Resilience, Water Use, Materials Management, and Advancing the Circular Economy. We established our science-based targets, validated by SBTi, to, by 2030, reduce our Scope 1 and 2 GHG emissions by 70% from our 2015 baseline and work with our supply chain to reduce our 2018 baseline Scope 3 GHG emissions by 30% - with an ambition of net zero by 2050.

The incentive’s performance indicator is progress towards a climate-related target. It is specifically linked to making progress toward our science-based emissions reduction targets.

Entitled to incentive
Other, please specify (Company Leadership Team)

Type of incentive
Monetary reward

Incentive(s)
Bonus – set figure

Performance indicator(s)
Progress towards a climate-related target

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Our Company Leadership Team is ultimately responsible for driving our sustainability and innovation actions, which includes the achievement of our sustainability goals. This accountability is reflected in individual performance targets that are established with the employee and their manager as part of our global performance management system.

Explain how this incentive contributes to the implementation of your organization’s climate commitments and/or climate transition plan
In 2015, we established our 2025 sustainability goals to improve the sustainability of our products and processes and create value for all our stakeholders. In 2020, we developed 2030 goals that exemplify our strategy to lead in an environmentally responsible manner and leverage our company’s capabilities when collaborating with suppliers and customers. We developed our goals following the completion of our materiality assessment conducted in 2020. Our goals align with those topics that are determined to be the most important to our business and our stakeholders including GHG Emissions and Energy Use, Climate Resilience, Water Use, Materials Management, and Advancing the Circular Economy. We established our science-based targets, validated by SBTi, to, by 2030, reduce our Scope 1 and 2 GHG emissions by 70% from our 2015 baseline and work with our supply chain to reduce our 2018 baseline Scope 3 GHG emissions by 30% - with an ambition of net zero by 2050.

The incentive’s performance indicator is progress towards a climate-related target. It is specifically linked to making progress toward our science-based emissions reduction targets.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?
Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	
Medium-term	1	5	This covers our near-term time horizon which is 1 to 3 years and our medium-term horizon which is 3 to 5 years.
Long-term	5	10	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Avery Dennison uses our definition of substantive change as a proxy for a definition of substantive financial or strategic impact. Therefore, we define substantive financial or strategic impact as a change that impacts revenue, stakeholders and costs related to the availability of purchased goods.

Impacts are classified as risks and categorized as low, medium, or high based on likelihood and using annual net income thresholds as a quantifiable indicator. We use the following annual net income thresholds: low risk is under $10 million, medium risk is $10 million to $40 million, and high risk is above $40 million.

Through our risk identification process, Avery Dennison evaluates climate risks as standalone risks and as part of broader risks, such as economic instability. We consider the risks associated with climate change and sustainability as having a substantive impact.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Avery Dennison's process for identifying, assessing and responding to climate-related risks and opportunities is integrated into our Enterprise Risk Management (ERM) process. Our Board of Directors (Board) is responsible for overseeing this process while management is responsible for the management of the day-to-day risks our businesses face.

Our Board is responsible for ensuring that the ERM processes designed and implemented by management are functioning effectively, and that our culture promotes risk-adjusted decision-making. Each year, our Board receives reports on the ERM process and the strategic plans and risks facing our businesses and company as a whole. These risks include financial risks, geopolitical risks, legal and regulatory risks, supply chain risks, competitive risks, information technology risks, and other risks across our direct operations, upstream supply chain, and downstream value chain related to the ways in which Avery Dennison does business. These risks are evaluated across different timeframes including near-term, medium-term, and long-term to ensure that we are strategically evaluating risks.

The teams leading our businesses have incorporated ERM into developing and executing their strategies, assessing the risks impacting their businesses, and identifying and implementing appropriate mitigation strategies on an ongoing basis. In consultation with our head of risk management and members of senior management, our businesses' leadership teams prepare a risk profile twice a year, consisting of a heat map and a summary of their key risks and mitigating strategies. Climate risks are evaluated as standalone risks and are also a part of broader risks, such as economic instability. Each is ranked by the intersection of net income impact and likelihood, and materiality thresholds vary by business unit. These risk profiles are used to prepare a company risk profile based on identified business-specific risks as well as enterprise-wide risks. Avery Dennison prioritizes risks that have the potential for substantive financial or strategic impact.

Our annual long-term strategic planning process also feeds into our ERM process. The teams that lead our businesses and various risk areas present strategic plans to our company leadership team identifying risks, opportunities, and long-term trends. Our Company Leadership Team, including our CEO, uses the process to inform the enterprise's strategic plan and discusses outcomes, risks, opportunities, and mitigation measures with the Board. Our head of risk management ties the strategic plans developed during this process to our ERM process.

Transition case study: Avery Dennison identified changing consumer preference as a market transition risk with the potential to cause substantive financial impact since our label materials are sold for use in plastic packaging in the food, beverage, and home and personal care market segments. In recent years, there has been an accelerated focus on sustainability, with greater consumer concern regarding climate change and single-use plastics, corporate commitments regarding the reuse and recyclability of plastic packaging and recycled content, and increased regulation across multiple geographies regarding the collection, recycling, and use of recycled content. We are closely monitoring changes in consumer preferences or laws and regulations related to the use of plastics that could reduce demand for our products. To mitigate this risk, we have developed new products to advance the circular economy and address the need for increased recyclability of plastic packaging, and are developing new solutions to address this challenge in collaboration with our customers and the businesses in our supply chain. Additionally, Avery Dennison completed a climate-related risk assessment in 2023 that analyzed the market risk associated with carbon prices for our suppliers. Many of our upstream suppliers are in paper & forestry, which is an industry at risk for carbon pricing, and our exposure to this sector puts us at risk due to proximity. Suppliers face a risk to their EBITDA and can mitigate that risk by passing costs onto their customers, including Avery Dennison. Managing our EBITDA risk exposure is dependent on suppliers keeping their risk managed by controlling emissions, which gives us a vested interest in their emissions reductions.

Physical case study: It is important for us to obtain timely delivery of materials, equipment, and other resources from suppliers, and to make timely delivery to customers. We may experience supply chain interruptions due to natural and other disasters or other events. Any disruption to our supply chain could have a material adverse effect on our sales and profitability, and any sustained interruption in our receipt of adequate supplies could have a material adverse effect on our business. Thus the company is continually monitoring for these climate impacts. Our performance depends in part on our ability to re-engineer our products. In our climate-related risk assessment, coastal flooding was identified as the fastest growing risk to our portfolio. These results will be used to inform our response to risks and procedures for water-related risks that are not currently managed. For example, our leased Apparel Solutions site in Vietnam was identified as the highest insured value site to have moderate coastal flooding risk. In the future, Avery Dennison may consider flooding risk when signing long-term leases to mitigate this risk.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Avery Dennison considers current regulatory risks to be relevant to our business, primarily due to the potential impact they could have on our operations as well as customer demand for our products. As a corporation with global operations, we are subject to various national, state, provincial and/or local laws and regulations, including those related to the emission of greenhouse gases and packaging and recycled content regulations. These include limits on greenhouse gas emissions such as the EU ETS, greenhouse gas reporting requirements, recycled content requirements, and end-of-life recyclability criteria. Any failure to comply with existing environmental, health and safety laws could subject us to fees, penalties, costs or liabilities, impact our production capabilities, limit our ability to sell, expand or acquire facilities, and have a material adverse effect on our business. Our business units are responsible for continuing to evaluate current regulations and identify ways to mitigate regulatory risks. Example: Avery Dennison has locations in areas around the world that are subject to emissions trading schemes and regulation of carbon pricing. We have one facility that emits over 25,000MT of Scope 1 greenhouse gas emissions in a year, which is typically the threshold for these programs. The company continues to track and monitor the evolution of these programs. In the European Union, we are using offsets and allowances to comply with regulation.

	Relevance & inclusion	Please explain
Emerging regulation	Relevant, always included	Avery Dennison considers emerging regulations to be relevant to our business, primarily due to the potential impact they could have on our operations as well as customer demand for our products. With global operations, we are subject to various national, state, provincial and/or local laws and regulations, including limits on GHG emissions, GHG reporting requirements, recycled content requirements, and end of life recyclability criteria. Laws and regulations related to the environment, product content and product safety are complex, change often, and can be open to different interpretations. In addition, we could be materially and adversely impacted by any environmental or product safety enforcement action affecting our suppliers, particularly in emerging markets. Any failure to comply with existing environmental, health and safety laws could subject us to fees, penalties, costs or liabilities, impact our production capabilities, limit our ability to sell, expand or acquire facilities, and have a material adverse effect on our business. Our business units, supported by our government affairs team, are responsible for monitoring the global regulatory landscape to ensure that they are adjusting their strategies and implementing mitigating measures as appropriate to proactively address regulations that are likely to be implemented. We also implement a Regulatory Early Warning System that uses a comprehensive approach to identify and track developments globally in product and chemical regulations, safety and environmental impacts. Example: the European Commission has recently proposed new rules on packaging sustainability (EU Packaging & Packaging Waste Regulation) that will impact all actors within the packaging value chain, including our company. In particular this regulation aims to make all packaging placed in the EU market either recyclable or reusable by 2030. Thanks to our work in the realm of government affairs and sustainability policy, we are closely following these discussions, ensuring that our leaders are informed of legislative developments and their impact when making critical decisions for our company. Whereas the update to Packaging Waste Regulation is still under discussion by EU Institutions, we are already assessing internal strategies and innovation pathways to implement any necessary changes before the 2030 deadline.
Technology	Relevant, sometimes included	Avery Dennison considers technology risks such as the minimization or removal of labeling and concerns with single-use items including plastics. This is a key risk since we are a global leader in providing packaging and labeling solutions and recycling technologies are driving the ability to reuse our products including our pressure sensitive labels. Currently, we are focusing our efforts to meet regulatory needs and monitoring the evolution of recycling technologies. We track the evolution of these megatrends through our ERM process and ongoing strategy assessment to anticipate changes. Technology poses opportunities as our products help meet changing customer preferences including providing greater visibility into supply chains. For example, we provide innovative materials (inlays and tags) for use in radio-frequency identification applications which may enable companies to track products more efficiently throughout the supply chain. Tracking products more efficiently may unlock new opportunities for optimization of product shipping and transportation, potentially reducing transportation-related GHG emissions and assist companies in calculating their products' carbon footprint and capturing other supply chain efficiencies. Example: As customer preferences change, with greater concern regarding climate change and single-use plastics, we must provide sustainable products that are recyclable under existing and emerging technologies. We have established a goal to have 70% of the products the company sells will conform to, or will enable end products to conform to, our sustainability principles. The Avery Dennison Sustainable ADvantage portfolio offers customers products that meet at least one of our three sustainability standards: • Responsible Sourcing: content is verified to come from sustainably sourced materials • Reduction of Materials: offers comparable or superior performance using less materials • Recycle: content is recyclable, made of recycled content, or enables recycling We apply concrete, measurable criteria to ensure that products meet these standards. By increasing the recyclability of our products, increasing the use of recycled content, and reducing the amount of material used to manufacture our products, Avery Dennison can reduce the carbon footprint of our products. Better insights from a product standpoint will help us identify and address technology risks associated with our products.
Legal	Relevant, sometimes included	Avery Dennison considers the laws of all the countries in which the company does business in developing our business strategies and in the ways in which the company is seeking to mitigate the risk of climate change. Since we are not emissions intensive as compared to other sectors, we have limited risks from our direct operations. For example, we experience limited coverage under emerging emissions trading schemes since our facility emissions are generally under the threshold for inclusion. In addition, we implement measures that comply with local laws as we seek to reduce our own emissions, and in developing products that have a lower carbon footprint downstream.
Market	Relevant, always included	We are affected by changes in our markets due to increasing environmental standards. If we do not respond appropriately to these changes, it could negatively impact market demand, our market share and pricing, any of which could materially adversely affect our business. Specifically, our business may be impacted by market changes including changing customer preferences. In recent years, there has been an accelerated focus on sustainability, with greater consumer concern regarding climate change and single-use plastics, corporate commitments regarding the reuse and recyclability of plastic packaging and recycled content, and increased regulation across multiple geographies regarding the collection, recycling and use of recycled content. Avery Dennison is at risk that changes in consumer preferences related to the use of plastics could reduce demand for our products. Additionally, the transition to a circular economy indicates we will have to take responsibility for the waste associated with our matrix and liners or our current materials could be banned. Example: In 2022 and 2023, to address shifting market standards, we made significant progress in measuring and reporting our product carbon footprint. We developed and launched a bespoke carbon footprinting tool created in collaboration with the Carbon Trust to continue to drive towards transparency and continuous improvement in environmental impact measurement and reporting of our label products. The Carbon Trust footprinting tool utilizes Avery Dennison's primary data from operations and is intended to provide information on the greenhouse gas and water footprint of an expanding array of Avery Dennison's label and packaging materials products globally, including selected faces, liners, and adhesives. The footprint reports are generated from a certified model and align with the reporting and verification methodology of GHG Protocol Product Standard, PAS2050 and ISO-14067.
Reputation	Relevant, sometimes included	Maintaining our reputation as an ethical business is at the core of everything Avery Dennison does. The impact of our actions is a central tenet of our risk assessments, including how our actions affect our reputation. There is a rapidly evolving awareness and focus from stakeholders, including our investors, customers and employees, with respect to global climate change and our company's environmental, social and governance (ESG) practices, which could affect our business. Investor and societal expectations with respect to ESG matters have been rapidly evolving and increasing. We risk damage to our reputation if we do not continue to act responsibly with respect to ESG matters in key sustainability and climate areas. During 2020, we conducted a comprehensive materiality assessment to understand stakeholder expectations and determine our most material sustainability topics. Greenhouse Gas Emissions and Energy Use and Climate Resilience were determined to be topics of significance. In 2022, Avery Dennison completed a significant update to our materiality assessment, which entailed updating the mapping of our sustainability and ESG priorities throughout our value chain. The most material topics identified in this update include Transition to a Circular Economy, Climate Change, and GHG Emissions & Reductions. In managing our reputational risk around all these climate-related topics, we are committed to reporting annually on our progress and performance toward our GHG emissions and energy targets. Further, we ensure there is opportunity to receive feedback on the progress we are making and include industry perspective in forward-looking strategies from our off-cycle investor engagement on ESG topics. Example: In an effort to mitigate our reputational risk around sustainability topics, including climate change, Avery Dennison has recently increased our R&D and Marketing communication focus on our innovations that enable recycling and advance the circular economy, in particular products lines like CleanFlake and ThinkThin. In addition, through our RFID and Intelligent Label platforms, we enable customers to talk about sustainability as part of their story. By providing our customers with assurance and information of our sustainable products, the company can better market these products and mitigate risks associated with developing new technologies.
Acute physical	Relevant, sometimes included	It is important for us to obtain timely delivery of materials, equipment, and other resources from suppliers, and to make timely delivery to customers. Avery Dennison may experience supply chain interruptions due to acute risks such as natural and other disasters or other events. Any disruption to our supply chain could have a material adverse effect on our sales and profitability, and any sustained interruption in our receipt of adequate supplies could have a material adverse effect on our business. Thus, Avery Dennison is continually monitoring for these climate impacts. Example: As climate change drives increasing water scarcity, Avery Dennison conducted a physical risk scenario analysis to assess water risks including coastal flooding, fluvial flooding, and water stress. The analysis found that 2% of insured asset value is at moderate risk to coastal flooding and water stress using RCP 4.5. Further, we use WRI Aqueduct to assess water risks including the physical risks quantity, including interannual variability, seasonal variability, and drought risk at each of our operations. At year-end 2022, 32% of our operational sites were located in areas of high or extremely high overall water risk. In connection with our enterprise risk management process, we will be taking steps in the future to incorporate these findings into an assessment of supplier implications. Currently, we track our Materials Group suppliers' environmental practices and progress using an annual EcoVadis questionnaire. This data is retained for our use when determining future business, including supply chain risks and opportunities.
Chronic physical	Relevant, sometimes included	It is important for us to obtain timely delivery of materials, equipment, and other resources from suppliers, and to make timely delivery to customers. Avery Dennison may experience supply chain interruptions due to acute and chronic physical risks. Any disruption to our supply chain could have a material adverse effect on our sales and profitability, and any sustained interruption in our receipt of adequate supplies could have a material adverse effect on our business. Thus, we are continually monitoring for these climate impacts. Example: As climate change leads to rising temperatures, we conducted a physical risk scenario analysis to assess extreme temperature impacts on our business. The analysis found that temperature extremes present the highest relative risk to Avery Dennison's asset value out of the 7 risks evaluated at relative risk of 0.7% in a RCP 4.5 scenario. Further, we use WRI Aqueduct to assess water risks including the physical risks quantity, including interannual variability, seasonal variability, and drought risk at each of our operations. At year-end 2022, 32% of our operational sites were located in areas of high or extremely high overall water risk. In connection with our enterprise risk management process, we will be taking steps in the future to incorporate these findings into an assessment of supplier implications. Currently, we track our Materials Group suppliers' environmental practices and progress using an annual EcoVadis questionnaire. This data is retained for our use when determining future business, including supply chain risks and opportunities.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Increased customer attention is on the environmental performance of products, including their carbon footprint, which could affect their selection of our products. There is increasing focus on reducing the end-of-life impacts associated with plastic packaging.

One of the greatest changes in our end markets has been the acceleration of the awareness of, need for and urgency to deliver more sustainable solutions, including an emphasis on recycling. This presents a number of challenges for our business since we are dependent on the evolution of recycling technologies to ensure the sustainability of our products. For example, our labels generally involve a face material, which may be paper, metal foil, plastic film or fabric, and an adhesive, which may be permanent or removable. These are used broadly for labeling, decorating, and specialty applications in the home and personal care, beer and beverage, durables, pharmaceutical, wine and spirits, and food market segments around the world.

Plastic packaging sustainability in the consumer goods industry presents the greatest strategic challenge to our Materials Group. Plastic is widely used for packaging because of its barrier properties (reduced food waste), light weight (reduced logistics cost), versatility, durability and low cost.

With approximately 72% of our 2022 net sales originating outside the U.S. and approximately 40% of our net sales originating in emerging markets (Asia Pacific, Latin America, Eastern Europe and Middle East/Northern Africa), a greater emphasis on either reducing labeling or reducing packaging altogether presents long-term challenges to our business.

Time horizon
Medium-term

Likelihood
Likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
90000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Avery Dennison is already responding to changing consumer behavior driven by a demand for more sustainable products. Even a small market shift as consumers focus further on climate change might have a material financial impact on our business. With sales of approximately $9.0 billion in 2022, a 1% shift, absent mitigation, would represent a significant loss in sales ($9,000,000,000 * 0.01 = $90,000,000).

This estimate of financial impact assumes that there is a linear relationship between consumer behavior changes and revenue. However, we recognize that the impact on our products might be uneven and the 1% has been assumed to provide further insight on how this impact might continue to evolve and to understand potential order of magnitude financial impacts.

We expect that these financial impacts might occur in the future and have not assigned a timeframe since scenario analysis work is still forthcoming.

Cost of response to risk
0

Description of response and explanation of cost calculation
Our innovation strategy has developed strategic innovation platforms focused on recyclability/enabling circularity and waste reduction/elimination. To support this, we are working to develop a recyclability roadmap. An element of this roadmap is developing a comprehensive portfolio of pressure-sensitive label materials. This involves creating label materials that separate during the recycling process, as well as using recycled content in manufacturing our products. We believe that by implementing this strategy, we will be well set up to be the future sustainability leader.

For example, in 2022 and 2023, we made significant progress in measuring and reporting our product carbon footprint. We developed and launched a bespoke carbon footprinting tool created in collaboration with the Carbon Trust to continue to drive towards transparency and continuous improvement in environmental impact measurement and reporting of our label products. The Carbon Trust footprinting tool utilizes Avery Dennison's primary data from operations and is intended to provide information on the greenhouse gas and water footprint of an expanding array of Avery Dennison's label and packaging materials products globally, including selected faces, liners, and adhesives. The footprint reports are generated from a certified model and align with the reporting and verification methodology of GHG Protocol Product Standard, PAS2050 and ISO-14067. The tool will provide additional detail and insights, through more detailed product life cycle analysis, to help us identify and address climate-related market risks associated with our products. For example, in 2022, we introduced a number of recycled-content products, including AD BioRenew PP and PE films, which are made using biobased byproducts that would otherwise go to waste, such as used cooking oil. Our BioRenew films have properties and appearance comparable to virgin PP and PE and can be recycled in the same streams as standard PP and PE films. Using an ISCC mass balance approach, it was calculated that ~99% of BioRenew films are composed of bio-circular content. These products are also approved for direct food contact and are ISCC PLUS certified.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Customers increasingly assess products based on their environmental performance. This presents us with the opportunity to increase sales by developing products that have a relatively lower carbon footprint than our competitors.

To manage these opportunities, we are expanding our sustainable product offerings through detailed customer research and life cycle analysis of our products. Our analysis has helped us focus our product innovation on reducing the environmental impact of the materials found in our products by designing thinner and lighter labeling materials; developing bio-based adhesive formulations that reduce consumption of fossil-based materials; and designing products that facilitate recycling.

Avery Dennison is responding to changing consumer behavior driven by a demand for more sustainable products, such as our CleanFlake and ThinkThin product lines. CleanFlake enables recyclability of PET and HDPE containers. ThinkThin label constructions are up to 50% thinner than conventional labels. Using 1,000,000 square meters of a filmic ThinkThin label reduces the usage of fossil materials by 39%, energy usage by 46% and water usage by 30%.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
90000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Avery Dennison is already responding to changing consumer behavior driven by a demand for more sustainable products. Even a small market shift as consumers focus further on climate change might have a material financial impact on our business. With sales of approximately $9.0 billion in 2022, a 1% shift, absent mitigation, would represent a significant loss in sales ($9,000,000,000 * 0.01 = $90,000,000).

This estimate of financial impact assumes that there is a linear relationship between consumer behavior changes and revenue. However, Avery Dennison recognizes that the impact on our products might be uneven and the 1% has been assumed to provide further insight on how this impact might continue to evolve and to understand potential order of magnitude financial impacts.

We expect that these financial impacts might occur in the future and have not assigned a timeframe since scenario analysis work is still forthcoming.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
Our innovation strategy has developed strategic innovation platforms focused on recyclability/enabling circularity and waste reduction/elimination. To support this, we are working to develop a recyclability roadmap. An element of this roadmap is developing a comprehensive portfolio of pressure-sensitive label materials. This involves creating label materials that separate during the recycling process, as well as using recycled content in manufacturing our products. We believe that by implementing this strategy, we will be well set up to be the future sustainability leader.

To streamline the life-cycle assessments, we utilize our environmental assessment tool known as MatcheckTM to help our customers estimate the relative energy, GHG emissions, water, waste, biobased materials, and fossil materials associated with the products they buy. In 2022 and 2023, we made significant progress in measuring and reporting our product carbon footprint. Under development in 2022 and launched in March 2023, we transitioned to a bespoke carbon footprinting tool created in collaboration with the Carbon Trust to continue to drive towards transparency and continuous improvement in environmental impact measurement and reporting of our label products. The Carbon Trust footprinting tool utilizes Avery Dennison's primary data from operations and is intended to provide information on the greenhouse gas and water footprint of an expanding array of Avery Dennison's label and packaging materials products globally, including selected faces, liners, and adhesives. The footprint reports are generated from a certified model and align with the reporting and verification methodology of GHG Protocol Product Standard, PAS2050 and ISO-14067. In the case of our redesigned adhesives, liners, and papers, we saw some increases in fossil materials and emissions but overall reductions in water usage.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

We have adopted Scope 1 and 2 emission reduction targets that have been approved by the Science-Based Targets initiative and align with reductions required to keep warming to no more than 1.5° C, the most ambitious goal of the Paris Agreement. We are also undertaking an effort to map our strategy to align with the recommendations of the Task Force on Climate-Related Financial Disclosures over the next year, which will help us develop the foundation of a 1.5° C transition plan.

When setting our SBTi-aligned emission reduction targets, we have begun to map out how we can achieve our goal to reduce absolute Scope 3 GHG emissions from purchased goods and services and end-o- life treatment of sold products 30% by 2030 (from a 2018 baseline) by modeling reduction scenarios for Scope 3 emissions using Climate Earth. These scenarios included an analysis of 10%, 30% and 75% use of recycled content in our products; 10%, 25%, and 30% reduction of materials, and increased recycling rates of 70%, 80% and 90% of waste in our value chain.

In addition, as part of our low-carbon transition efforts, we have developed a Carbon Impact Program for our Materials Group that outlines how our strategy around emissions in manufacturing, processing, and end of life will continue to evolve over the next few years. Key components of our approach include evaluating standards for carbon reduction, enhancing measurement, developing carbon reduction roadmaps (for suppliers through product end-of-life), and enhancing communication.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios RCP 8.5	Company-wide	<Not Applicable>	This scenario assumes that no major global effort to limit greenhouse gas emissions will go into effect. RCP 8.5 is characterized by increasing greenhouse gas emissions over time representative for scenarios in the literature that lead to high greenhouse gas concentration levels. It is estimated that end-of-century increases in global mean surface temperature will be in the range of 3.2 to 5.4°C.
Physical climate scenarios RCP 6.0	Company-wide	<Not Applicable>	This scenario assumes a high greenhouse gas emission rate with radiative forcing stabilization after 2100. It is estimated that end-of-century increases in global mean surface temperature will be in the range of 2.0 to 3.7°C.
Physical climate scenarios RCP 4.5	Company-wide	<Not Applicable>	This scenario implies coordinated action to limit greenhouse gas emissions to achieve a global temperature warming limit of approximately 2°C. It is a stabilization scenario where total radiative forcing is stabilized before 2100 by employment of a range of technologies and strategies for reducing greenhouse gas emissions. Within this scenario itself, it is estimated that end-of-century increases in global mean surface temperature will be in the range of 1.7 to 3.2°C.
Physical climate scenarios RCP 2.6	Company-wide	<Not Applicable>	This scenario assumes that emissions peak early and then fall due to the active removal of greenhouse gasses from the atmosphere. It is estimated that end-of-century increases in global mean surface temperature will be in the range of 0.9 to 2.3°C.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

What are the most pertinent climate-related risks to Avery Dennison?
What variables are needed to support decision-making?

Results of the climate-related scenario analysis with respect to the focal questions

Avery Dennison's scenario analysis was done to show the physical and transition risk associated with its business. Physical risks of coastal flooding, fluvial flooding, drought, wildfire, water stress, and tropical cyclones were assessed through 2100. The physical risk assessment shows the potential level of loss on a site level basis of the top 300 assets of the company, including owned, leased, and third-party warehouses.

In addition to physical risks, four transition risks were assessed through 2050: policy, market, reputational and technology. Included in the scenario analysis is the projected carbon policy and tax exposure of the business on a monetary level.

This analysis has highlighted how our existing programs and initiatives serve to mitigate these risks, such as ensuring we use technology and innovation to meet customer sustainability expectations. For example, in 2022 we released our rPP product line, requiring 99% less fossil fuel materials to manufacture and bringing polypropylene labeling closer to circularity. Our chemically recycled rPP films use post-consumer waste to create label solutions for more circular polypropylene labeling. This product range has a double sustainability impact: it enables recycling of waste which would otherwise be burned or landfilled, and it reduces the amount of fossil fuel used.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Increased customer attention is on the environmental performance of products, including their carbon footprint, which could affect their selection of our products. One of the greatest changes in our end markets has been the acceleration of the awareness of, need for and urgency to deliver more sustainable solutions including an emphasis on recycling. Avery Dennison develops products with climate impact in mind, from the materials we use, to how they're constructed or recycled at end-of-life. For example, increasing the recycled content of a product or re-engineering its composition to reduce the amount of material needed can enable less energy use in its production. To facilitate the growth of sustainable and low-carbon products, we have developed goals and KPI's around a Sustainable ADvantage portfolio. In this portfolio, we identify products that have been sourced and developed to lower environmental impact, including (1) responsible material selections, (2) lower amount of materials used, (3) use of recycled content and (4) enabling consumer packaging to be recyclable. All categories are focused on reducing greenhouse gas emissions and waste. For products with reduced materials and other materials selections, we verify the environmental benefit through a partial life cycle analysis or use of an external party to verify the benefit. Our Sustainable ADvantage portfolio contains hundreds of products that help our customers and their end users to reduce their material consumption and environmental footprint. Beyond our product classifications, in March 2023, we transitioned to a bespoke carbon footprinting tool created in collaboration with the Carbon Trust to continue to drive towards transparency and continuous improvement in environmental impact measurement and reporting of our label products. The Carbon Trust footprinting tool utilizes Avery Dennison's primary data from operations and is intended to provide information on the greenhouse gas and water footprint of an expanding array of Avery Dennison's label and packaging materials products globally, including selected faces, liners, and adhesives. The footprint reports are generated from a certified model and align with the reporting and verification methodology of GHG Protocol Product Standard, PAS2050 and ISO-14067. Time horizon: Avery Dennison sees this as a short-term opportunity.
Supply chain and/or value chain	Yes	Since we rely on our value chain for raw materials, we are aware that many of our risks are shared by our suppliers. Avery Dennison is assessing the current state of carbon in our supply chain in an iterative manner. A baseline assessment for upstream GHG impact was developed in 2019 through a third party with secondary (industry standards) data. This led to a plan to evaluate the majority of our upstream supply chain (Goods and Services) with primary data in the next two years through the CDP Supply Chain measurement system. This will be used as a stepping stone to address our Scope 3 impact as articulated in our Carbon Impact Program strategy. In addition, we also provide innovative materials (inlays and tags) for use in radio-frequency identification (RFID) applications that enable companies to track products more efficiently throughout the supply chain. Tracking products more efficiently may unlock new opportunities for optimization of product shipping and transportation, potentially reducing transportation-related GHG emissions. Access to more sophisticated supply chain data can also assist companies in calculating their products' carbon footprint and capturing other supply chain efficiencies. Time horizon: Avery Dennison sees this as a short-term opportunity.
Investment in R&D	Yes	Findings to date have shown that the principal opportunities for reducing the environmental impact of our pressure-sensitive labeling and graphics materials lie in the selection of raw materials and the end-of-life disposal of those materials. In contrast, we estimate that the manufacturing phase of our products' life cycle contributes approximately 10% of the overall impact on the major environmental indicators. These findings have helped us focus our product innovation on reducing the environmental impact of the materials found in our products by designing thinner, lighter labeling and trim materials; developing bio-based adhesives formulations that reduce consumption of fossil-based materials; and designing products that facilitate recycling. We utilize our environmental assessment tool to help customers worldwide estimate the relative energy savings and GHG emissions reduction of the products they buy. In 2022 and 2023, we made significant progress in measuring and reporting our product carbon footprint. We developed and launched a bespoke carbon footprinting tool created in collaboration with the Carbon Trust to continue to drive towards transparency and continuous improvement in environmental impact measurement and reporting of our label products. The Carbon Trust footprinting tool utilizes Avery Dennison's primary data from operations and is intended to provide information on the greenhouse gas and water footprint of an expanding array of Avery Dennison's label and packaging materials products globally, including selected faces, liners, and adhesives. The footprint reports are generated from a certified model and align with the reporting and verification methodology of GHG Protocol Product Standard, PAS2050 and ISO-14067. Time horizon: we see this as a short-term opportunity.
Operations	Yes	Price fluctuations around energy and greenhouse gas emissions are increasingly leading Avery Dennison to actively pursue energy efficiency and decarbonization strategies across our portfolio. We have annual capital budgets used for operational efficiency improvement projects, several of which are related to the reduction of energy intensity. A substantive business decision includes our commitment to renewable energy in the form of signing a 30 MW US wind virtual power purchase agreement (VPPA). This VPPA will have an estimated emissions reduction of 98,800 metric tons CO2e annually. In June 2020, our US virtual wind PPA with Plum Creek Wind came to fruition, and our off take in 2020 was 62,224 megawatt hours (MWh). In 2022, our off-take from this 82-turbine, 230-MW project yielded 131,615 MWh of renewable power. Additional substantial business decisions included on-site owned solar PV installations at 7 facilities across Asia, Africa and Europe. These investments have enabled us to significantly reduce our emissions by approximately 56% from our 2015 baseline and ensure that we are more resilient to emerging carbon pricing and energy price fluctuations. Time horizon: We see this as a short-term opportunity.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs	Avery Dennison's climate related risks and opportunities have influenced financial planning in the area of direct costs. We have allocated capital to assessing and reducing our Scope 1, 2, and 3 GHG impact. This involves both the contracted third parties who have helped gather information and provide feedback on next steps as well as data analysis tools used internally to inform decision making going forward. This will continue in the future as CDP Supply Chain's services are contracted for the acquisition of primary GHG data for our top suppliers. A substantive financial planning business decision influenced by climate-related risks and opportunities includes our commitment to renewable energy in the form of signing a 30 MW US wind virtual power purchase agreement (VPPA). In June 2020, our US virtual wind PPA with Plum Creek Wind came to fruition, and our off-take in 2020 was 62,224 megawatt hours (MWh). In 2022, our off-take from this 82-turbine, 230-MW project yielded 131,615 MWh of renewable power. Additional substantial business decisions included on-site owned solar PV installations at 7 facilities across Asia, Africa and Europe Time horizon: We see this as a short-term opportunity.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?
Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Is this a science-based target?
No, but we are reporting another target that is science-based

Target ambition
<Not Applicable>

Year target was set
2015

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Base year
2015

Base year Scope 1 emissions covered by target (metric tons CO2e)
295474

Base year Scope 2 emissions covered by target (metric tons CO2e)
422782

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
718257

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2025

Targeted reduction from base year (%)
26

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
531510.18

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
188389.4

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
129687.4

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
318076.8

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

214.290235303605

Target status in reporting year
Achieved

Please explain target coverage and identify any exclusions
This target covers 100% of our Scope 1 and 2 emissions. Our goal is to achieve at least a 3% absolute reduction year over year. By basing our approach on The 3% Solution developed by World Wildlife Fund, CDP and McKinsey & Company, Avery Dennison plan to cut emissions by a minimum of 26% by 2025.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the emissions reduction initiatives which contributed most to achieving this target
In 2015, Avery Dennison established our goal to reduce our absolute GHG emissions by 3% year-over-year, and by at least 26% compared to our 2015 baseline, by 2025. We exceeded that goal within five years of setting it, cutting emissions by approximately 48% compared to the 2015 baseline in 2021. Progress continued in 2022 with a 56% reduction compared to the baseline.

Natural gas and electricity are the primary energy sources for our operations, accounting for the majority of our Scope 1 and 2 emissions. The majority of our emission reduction activities came from renewable energy projects, which have been conducted across our global manufacturing footprint. Emission reductions have been achieved through a range of activities, including energy efficiency improvements, fuel switching to less emissions-intensive fuel sources, renewable electricity sourcing via on-site, owned solar, direct wind and solar power purchase agreements (PPAs), and procurement of renewable energy credits. In June 2020, our US virtual wind PPA with Plum Creek Wind came to fruition, and our off take in 2020 was 62,224 megawatt hours (MWh). In 2022, our off-take from this 82-turbine, 230-MW project yielded 131,615 MWh of renewable power. In addition, we had several facility projects to reduce energy consumption, including waste heat recovery, chiller upgrades, insulation enhancement, and higher efficiency indoor and outdoor lighting implementation. These projects and associated operational improvements have allowed us to make progress towards achieving our GHG reduction targets.

Target reference number
Abs 2

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
1.5°C aligned

Year target was set
2021

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Base year
2015

Base year Scope 1 emissions covered by target (metric tons CO2e)
295474

Base year Scope 2 emissions covered by target (metric tons CO2e)
422782

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
718257

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
70

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
215477.1

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
188389.4

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
129687.4

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
318076.8

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

79.5935159699105

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
This target covers 100% of our Scope 1 and 2 emissions meaning there are no exclusions from this target. We are committed to reaching our sustainability goals by the year 2030. Our 2030 sustainability goals complement and live alongside our 2025 sustainability goals. Our 2030 sustainability goals were developed based on careful analysis of what is most important for our business and stakeholders, covering the areas where we can, and should, make the greatest difference.

Our 2030 sustainability goals align with seven of the United Nations Sustainable Development Goals (SDGs). A framework adopted by 193 countries, the SDGs have become a common standard for governments, the private sector and civil society to track progress toward sustainability.

Plan for achieving target, and progress made to the end of the reporting year
The majority of our emission reduction activities come from renewable energy projects, which are applied across our global manufacturing footprint. In June 2020, our US virtual wind PPA with Plum Creek Wind came to fruition, and our off take in 2020 was 62,224 megawatt hours (MWh). In 2022, our off-take from this 82-turbine, 230-MW project yielded 131,615 MWh of renewable power. In addition, we had several facility projects to reduce energy consumption, including waste heat recovery, chiller upgrades, insulation enhancement, and higher efficiency indoor and outdoor lighting implementation. These projects and associated operational improvements have allowed us to make progress towards achieving our GHG reduction targets.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

Target reference number
Abs 3

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
Other, please specify (Our Scope 3 target is approved by SBTi and meets the SBTi's criteria for ambitious value chain goals, meaning it is aligned with current best practice.)

Year target was set
2021

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 12: End-of-life treatment of sold products

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
2955560

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
621050

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
3576610

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
3576610

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
100

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
70

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
70

Target year
2030

Targeted reduction from base year (%)
30

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
2503627

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
3717111

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
1266162

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
4983273

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
4983273

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]
-131.098349181674

Target status in reporting year
Underway

Please explain target coverage and identify any exclusions
Avery Dennison is committed to reaching our sustainability goals by the year 2030. Our 2030 sustainability goals complement and live alongside our 2025 sustainability goals. Our 2030 sustainability goals were developed based on careful analysis of what is most important for our business and stakeholders, covering the areas where the company can, and should, make the greatest difference.

Our 2030 sustainability goals align with seven of the United Nations Sustainable Development Goals (SDGs). A framework adopted by 193 countries, the SDGs have become a common standard for governments, the private sector and civil society to track progress toward sustainability.

In 2020, Avery Dennison conducted a complete Scope 3 inventory using 2018 data as the baseline of this target. We selected 2018 relative to prior years as our baseline year because of the accuracy and completeness of data. We will update our Scope 3 inventory to include company acquisitions as necessary, as well as include any data gaps uncovered in subsequent reporting. In 2018, Purchased Goods & Services represented approximately 58% of our Scope 3 emissions. We also include our Scope 3 Category 12: End-of-life treatment of sold products emissions in this target. Together, both categories represented 70% of our Scope 3 footprint in 2018.

Plan for achieving target, and progress made to the end of the reporting year
In order to meet our 2030 sustainability goals, we will continue to drive efficiency improvements in our processes and innovate to develop products that require less energy-intensive production processes. 2022 Scope 3 calculations showed continued growth across categories. This is due to several factors including organic growth of our business, improvements in data completeness and coverage, and an inflation-driven increase in spend resulting in a higher EEIO calculated footprint. Avery Dennison has numerous programs underway to reduce Scope 3 impacts such as product lightweighting and increased use of bio-based materials. We have engaged our suppliers directly and with tools such as CDP Supply Chain and EcoVadis. We are accelerating our work to implement more advanced calculation methodologies both in terms of granularity and rigor that will better allow us to show the reductions achieved by these programs.

Data for 2022 includes complete coverage for Materials Group (MG) and Solutions Group (SG) segments, including all relevant acquisitions and business units with no exclusions. This represents an improvement in coverage over 2021 reporting.

To understand opportunities for reducing our carbon footprint, we use MatcheckTM, a lifecycle analysis tool the company developed for the materials our company sources. Our analysis has shown that making significant reductions in our Scope 3 emissions requires us to substantially reduce the volume of materials we purchase while simultaneously switching to materials with a reduced carbon footprint. Our business units have begun making these adjustments, and, at the enterprise level, Avery Dennison is analyzing how to re-engineer and reduce material usage while maintaining or improving product quality. Further, we developed and launched a bespoke carbon footprinting tool created in collaboration with the Carbon Trust to continue to drive towards transparency and continuous improvement in environmental impact measurement and reporting of our label products.

In addition to reducing upstream emissions, Avery Dennison also sees significant opportunities to reduce the downstream and end-of-life impact of our products through RFID and other digital identity technologies developed by our Intelligent Labels group. By giving each of our products a traceable identity, we might soon be able to ensure that the item is reclaimed or recycled at the end of its useful life.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Net-zero target(s)

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs2
Abs3

Target year for achieving net zero
2050

Is this a science-based target?
No, but we are reporting another target that is science-based

Please explain target coverage and identify any exclusions
Through our Carbon Impact Program, Avery Dennison is in the process of building a roadmap to net zero by 2050 across our direct and indirect emissions. This approach will require considerable innovation around our products to ensure that we are using low impact products both in supplier and material selection as well as the end-of-life treatment of products.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Unsure

Planned milestones and/or near-term investments for neutralization at target year
<Not Applicable>

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	7	
To be implemented*	4	2737
Implementation commenced*	8	1969
Implemented*	70	116760
Not to be implemented	1	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption	Wind

Estimated annual CO2e savings (metric tonnes CO2e)
18507

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
112250

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled Guarantees of Origin from wind resources for multiple facilities in Europe

Initiative category & Initiative type

Low-carbon energy consumption	Large hydropower (>25 MW)

Estimated annual CO2e savings (metric tonnes CO2e)
68822

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
38295

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled I-RECs from hydro resources for multiple facilities in China

Initiative category & Initiative type

Low-carbon energy consumption	Large hydropower (>25 MW)

Estimated annual CO2e savings (metric tonnes CO2e)
3970

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
8220

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled TIGRs from hydro resources for facility in Malaysia

Initiative category & Initiative type

Low-carbon energy consumption	Large hydropower (>25 MW)

Estimated annual CO2e savings (metric tonnes CO2e)
2796

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
1805

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled I-RECs from hydro resources for a facility in Turkey

Initiative category & Initiative type

Low-carbon energy consumption	Large hydropower (>25 MW)

Estimated annual CO2e savings (metric tonnes CO2e)
9092

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
11000

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled I-RECs from hydro resources for a facility in Vietnam

Initiative category & Initiative type

Low-carbon energy consumption	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
431

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
1700

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled I-RECs from solar resources for a facility in the Dominican Republic

Initiative category & Initiative type

Low-carbon energy consumption	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
1523

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
6051

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled I-RECs from solar resources for a facility in Honduras

Initiative category & Initiative type

Low-carbon energy consumption	Large hydropower (>25 MW)

Estimated annual CO2e savings (metric tonnes CO2e)
1269

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
2400

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled I-RECs from hydro resources for a facility in India

Initiative category & Initiative type

Low-carbon energy consumption	Large hydropower (>25 MW)

Estimated annual CO2e savings (metric tonnes CO2e)
46

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
311

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled I-RECs from hydro resources for a facility in Colombia

Initiative category & Initiative type

Low-carbon energy consumption	Solid biofuels

Estimated annual CO2e savings (metric tonnes CO2e)
8

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
34

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled I-RECs (electricity) from biomass resources for a facility in Brazil

Initiative category & Initiative type

Low-carbon energy consumption	Biogas

Estimated annual CO2e savings (metric tonnes CO2e)
4027

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
21560

Payback period
No payback

Estimated lifetime of the initiative
<1 year

Comment
Purchase of unbundled I-RECs (electricity) from biogas resources for a facility in Malaysia

Initiative category & Initiative type

Low-carbon energy consumption	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
438

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
61258

Investment required (unit currency – as specified in C0.4)
0

Payback period
<1 year

Estimated lifetime of the initiative
21-30 years

Comment
On-site solar PPA at a facility in China

Initiative category & Initiative type

Low-carbon energy generation	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
958

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
437410

Investment required (unit currency – as specified in C0.4)
1016189

Payback period
1-3 years

Estimated lifetime of the initiative
21-30 years

Comment
On-site owned solar PV installations at 7 facilities across Asia, Africa and Europe

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
328

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
70062

Investment required (unit currency – as specified in C0.4)
225376

Payback period
4-10 years

Estimated lifetime of the initiative
6-10 years

Comment
Nine projects across multiple facilities globally to implement higher efficiency indoor and outdoor lighting

Initiative category & Initiative type

Energy efficiency in production processes	Compressed air

Estimated annual CO2e savings (metric tonnes CO2e)
186

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
107801

Investment required (unit currency – as specified in C0.4)
105124

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
Eight projects across multiple facilities globally to reduce electricity consumption from compressed air

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)
1803

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
1104112

Investment required (unit currency – as specified in C0.4)
223909

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
Nine projects across multiple facilities globally to reduce energy consumption in drying processes and thermal oil systems

Initiative category & Initiative type

Energy efficiency in production processes	Waste heat recovery

Estimated annual CO2e savings (metric tonnes CO2e)
273

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
56784

Investment required (unit currency – as specified in C0.4)
297890

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
Two projects to recover waste heat in dryer systems

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
768

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
140161

Investment required (unit currency – as specified in C0.4)
174000

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
Six projects across multiple facilities to improve energy efficiency in HVAC systems

Initiative category & Initiative type

Energy efficiency in production processes	Cooling technology

Estimated annual CO2e savings (metric tonnes CO2e)
1031

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
188730

Investment required (unit currency – as specified in C0.4)
319954

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
Six projects across multiple facilities globally to improve energy efficiency in chillers

Initiative category & Initiative type

Energy efficiency in buildings	Insulation

Estimated annual CO2e savings (metric tonnes CO2e)
18

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
13300

Investment required (unit currency – as specified in C0.4)
282500

Payback period
21-25 years

Estimated lifetime of the initiative
21-30 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Other, please specify (steam generation)

Estimated annual CO2e savings (metric tonnes CO2e)
250

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
208251

Investment required (unit currency – as specified in C0.4)
97000

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
Two projects to reduce energy associated with steam generation

---

Initiative category & Initiative type

Energy efficiency in production processes	Other, please specify (miscellaneous projects)

Estimated annual CO2e savings (metric tonnes CO2e)
158

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
106212

Investment required (unit currency – as specified in C0.4)
84655

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
Misc. projects to reduce electricity consumption in production processes

---

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (miscellaneous projects)

Estimated annual CO2e savings (metric tonnes CO2e)
58

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
9400

Investment required (unit currency – as specified in C0.4)
2875

Payback period
<1 year

Estimated lifetime of the initiative
6-10 years

Comment
Misc. projects to reduce electricity consumption in buildings

---

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for other emissions reduction activities	We have annual capital budgets used for operational efficiency improvement projects, several of which are related to the reduction of energy intensity. In addition, we have a dedicated budget for emission reduction activities, particularly as it relates to our GHG reduction targets, including purchase of unbundled renewable energy attributes in several markets. In June 2020, our US virtual wind PPA with Plum Creek Wind came to fruition, and our off-take in 2020 was 62,224 megawatt hours (MWh). In 2022, our off-take from this 82-turbine, 230-MW project yielded 131,615 MWh of renewable power. Additional substantial business decisions included on-site owned solar PV installations at 7 facilities across Asia, Africa and Europe.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

Yes, an acquisition

Yes, other structural change, please specify (changed operating structure to align with business strategy)

Name of organization(s) acquired, divested from, or merged with

Vestcom, ACPO, JDC, and RTVPrint

Details of structural change(s), including completion dates

In 2022, we changed our operating structure to align with our overall business strategy. The information disclosed in this response is reported based on our new reportable segments.

These changes resulted in a new segment, Materials Group, comprising our former Label and Graphic Materials (LGM) segment and Industrial and Healthcare Materials (IHM) segment. Additionally, our former Retail Branding and Information Solutions (RBIS) segment was renamed as Solutions Group.

Additionally, in 2022, we added the acquisitions of Vestcom, ACPO, JDC, and RTVPrint to our emissions inventory. Vestcom, ACPO, and JDC were acquired in 2021, and RTVPrint was acquired in early 2022.

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	We had a change in methodology for four Scope 3 categories in 2022: Category 3 FERA, Category 7 Employee commuting, Category 10 Processing of sold products, and Category 12 End of life treatment of sold products. For Cat 3, we account for all fuel consumption activities in Scope 1+2, so we transitioned to accounting for only our T&D losses, which is a change from prior years. For Cats 7, 10, and 12, because the majority of the assumptions underlying our previous calculations remain unchanged, we evolved our methodologies in 2022 to use proxy values based on the prior analyses, applied to current year metrics of FTE and $ sales. We intend to continue to evolve our Cat 12 methodology as we develop our internal tools and capabilities to account for our product EOL emissions.

C5.1c

(C5.1c) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in C5.1a and/or C5.1b?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 1 Scope 2, location-based Scope 2, market-based	Per the guidance within the GHG Protocol, companies should define a significance threshold for requiring baseline adjustments, and within AD this threshold has been set at 5%. The acquisitions noted in C5.1a triggers a result that meets the 5% threshold for Scope 1 and 2 emissions. The impact from our change in methodology for the Scope 3 categories does not trigger a result that meets the 5% threshold for Scope 3.	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
January 1 2015

Base year end
December 31 2015

Base year emissions (metric tons CO2e)
295474

Comment

Scope 2 (location-based)

Base year start
January 1 2015

Base year end
December 31 2015

Base year emissions (metric tons CO2e)
422782

Comment

Scope 2 (market-based)

Base year start
January 1 2015

Base year end
December 31 2015

Base year emissions (metric tons CO2e)
422782

Comment

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
2955560

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
621050

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

188389.4

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
317734.4

Scope 2, market-based (if applicable)
129687.4

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source of excluded emissions
Small or leased sites

Scope(s) or Scope 3 category(ies)
Scope 2 (location-based)
Scope 2 (market-based)

Relevance of Scope 1 emissions from this source
<Not Applicable>

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of Scope 3 emissions from this source
<Not Applicable>

Date of completion of acquisition or merger
<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents
1

Estimated percentage of total Scope 3 emissions this excluded source represents
<Not Applicable>

Explain why this source is excluded
Emissions were estimated and determined to be less than 1% of the total emissions inventory.

Explain how you estimated the percentage of emissions this excluded source represents
For many of Avery Dennison's smaller offices, warehouses and other locations where we may rent or lease the space, energy usage is often paid as part of the rental agreement. For these locations, we do not either have access to the environmental data or confidence in the data available; therefore, the data for these locations is not reported into our ASPIRE data management system. However, via our corporate real estate department, we identified a global list of these facilities, including square footage, and generated estimated emissions.

The U.S. Energy Information Agency, via its 2012 Commercial Buildings Energy Consumption Survey, published average energy intensities (energy/sq. ft) for various building types and building activities by climate regions. Using these published energy intensities and the known square footage of non-energy reporting locations, we

estimate non-reporting site emissions to be 4,522.25 metric tons CO2e or 0.69% of total Scope 1 and 2 emissions. Since emissions from non-reporting sites represent less than 1% of our Scope 1 and 2 emissions, we classify this category of emissions as de minimis. For purposes of this estimate, we have made the conservative assumptions that all non-reporting sites purchase natural gas for building heat.

We plan to update this estimate every five years or when there is a material change to the business with the next update occurring with the preparation of the 2025 inventory.

Source of excluded emissions
Fire suppression systems

Scope(s) or Scope 3 category(ies)
Scope 1

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
<Not Applicable>

Relevance of market-based Scope 2 emissions from this source
<Not Applicable>

Relevance of Scope 3 emissions from this source
<Not Applicable>

Date of completion of acquisition or merger
<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents
1

Estimated percentage of total Scope 3 emissions this excluded source represents
<Not Applicable>

Explain why this source is excluded
Emissions were estimated and determined to be less than 1% of the total emissions inventory.

Explain how you estimated the percentage of emissions this excluded source represents
Some Avery Dennison facilities have installed fire suppression systems that utilize a fire suppression agent that is an established GHG. In support of the CY 2020 and future GHG inventories, we developed a corporate inventory, including quantity and type of agent, of the GHG-based fire suppression systems. We utilized this inventory to estimate the magnitude of fugitive losses from our GHG-based fire suppression systems by following the screening methodology from the US EPA GHG Inventory Guidance Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases. This methodology assumes that for fixed and portable systems, 2.5 and 3.5% of a system's capacity respectively is lost annually via fugitive leaks, respectively. We have assumed that all GHG-based fire suppression systems are fixed.

Using this US EPA screening guidance, we estimate GHG-based fire suppression systems emissions to be ~272 tons CO2e or 0.14% of total Scope 1 emissions. Since fugitive emissions from GHG-based fire suppression systems represent less than 1% of our Scope 1 emissions, we accept this category of emissions as de minimis as it is highly unlikely to represent a material misstatement of our inventory.

We plan to update this estimate every five years or when there is a material change to the business, with the next update occurring with the preparation of the 2025 inventory.

In the event a facility experiences a full discharge of a GHG-based fire suppression system, Avery Dennison will utilize this inventory to calculate emissions associated with this full discharge and report emissions as appropriate.

Source of excluded emissions
Mobile sources

Scope(s) or Scope 3 category(ies)
Scope 1

Relevance of Scope 1 emissions from this source
Emissions are relevant and calculated, but not disclosed

Relevance of location-based Scope 2 emissions from this source
<Not Applicable>

Relevance of market-based Scope 2 emissions from this source
<Not Applicable>

Relevance of Scope 3 emissions from this source
<Not Applicable>

Date of completion of acquisition or merger
<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents
5

Estimated percentage of total Scope 3 emissions this excluded source represents
<Not Applicable>

Explain why this source is excluded
Emissions are calculated and relevant for Scope 1 but because they are minimal, they will be included in the inventory in FY 2023.

Explain how you estimated the percentage of emissions this excluded source represents
We collect monthly onsite usage of mobile devices and fleet usage and calculated an estimation on leased personal vehicles to estimate emissions at 5%.

Source of excluded emissions
Unintended leakage of refrigerant from cooling systems

Scope(s) or Scope 3 category(ies)
Scope 1

Relevance of Scope 1 emissions from this source
Emissions are relevant and calculated, but not disclosed

Relevance of location-based Scope 2 emissions from this source
<Not Applicable>

Relevance of market-based Scope 2 emissions from this source
<Not Applicable>

Relevance of Scope 3 emissions from this source
<Not Applicable>

Date of completion of acquisition or merger
<Not Applicable>

Estimated percentage of total Scope 1+2 emissions this excluded source represents
1

Estimated percentage of total Scope 3 emissions this excluded source represents
<Not Applicable>

Explain why this source is excluded
Emissions are calculated and relevant for Scope 1 but because they are de minimis, they will be included in the inventory beginning in FY 2023.

Explain how you estimated the percentage of emissions this excluded source represents
We collect annual release amounts from refrigerants and calculated an estimate from this data to determine the emissions were less than 1% for 2022.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
3717111

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
In order to meet our ambitious 2030 sustainability goals, we need to continue driving efficiency improvements in our processes as well as innovating to develop products that require less energy-intensive processes for production. 2022 Scope 3 calculations show continued growth across categories. This is due to several factors, including organic growth of the business, improvements in data completeness and coverage, updates in data methodology, and inflation driving significant uptick in spend resulting in higher EEIO calculated footprint. We have numerous programs underway to reduce scope 3 impacts such as product lightweighting and increased use of bio-based materials. We have engaged our suppliers directly and with tools such as CDP Supply Chain and EcoVadis. We are accelerating our work to implement more advanced calculation methodologies both in terms of granularity and rigor that will better allow us to show the reductions achieved by these programs.

We have partnered with Climate Earth to calculate Scope 3 totals relevant to our business. To calculate upstream impacts, Climate Earth utilizes an environmental extended input-output LCA (EEIO) model, and this year we began using the V2 model. The EEIO analysis relies on financial data to make assessments of cradle-to-gate environmental impacts based on the US EPA's emissions factors. The EPA model has calculated environmental impacts of industries in the form of impact/dollar. Climate Earth maps a customer's spend by purchase category to these factors to produce an upstream LCA. The result is a complete analysis of the upstream supply chain including analysis by supplier, category, and tier. Impact is calculated by the basic formula of: Activity Data x impact factor = impact So, for example, spend ($) x impact factor (kgCO2e/$) = impact (kgCO2e).

Data for 2022 includes complete coverage for both our Materials Group (MG) and Solutions Group (SG) businesses, including recent acquisitions. This represents an improvement in coverage over 2010 reporting. Purchases made between divisions are excluded from these calculations to eliminate double-counting.

Capital goods

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
35534

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
We have partnered with Climate Earth to calculate Scope 3 totals relevant to our business. To calculate upstream impacts, Climate Earth utilizes an environmental extended input-output LCA (EEIO) model, and this year we began using the V2 model. The EEIO analysis relies on financial data to make assessments of cradle-to-gate environmental impacts based on the US EPA's emissions factors. The EPA model has calculated environmental impacts of industries in the form of impact/dollar. Climate Earth maps a customer's spend by purchase category to these factors to produce an upstream LCA. The result is a complete analysis of the upstream supply chain including analysis by supplier, category, and tier. Impact is calculated by the basic formula of: Activity Data x impact factor = impact So, for example, spend ($) x impact factor (kgCO2e/$) = impact (kgCO2e).

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
22759

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
This category reflects transmission and distribution (T&D) losses, or generation (upstream activities and combustion) of electricity that is consumed (i.e., lost) in a T&D system. T&D losses are calculated using the average-data method, which involves estimating emissions by using average T&D loss rates, per the following formula: ∑ (electricity consumed (kWh) × electricity life cycle emission factor ((kg CO2e)/kWh) × T&D loss rate (%)). This methodology is a change from prior years as explained in 5.1b and 5.1c.

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
532728

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
We have partnered with Climate Earth to calculate Scope 3 totals relevant to our business. To calculate upstream impacts, Climate Earth utilizes an environmental extended input-output LCA (EEIO) model, and this year we began using the V2 model. The EEIO analysis relies on financial data to make assessments of cradle-to-gate environmental impacts based on the US EPA's emissions factors. The EPA model has calculated environmental impacts of industries by impact/dollar. Climate Earth maps a customer's spend by purchase category to these factors to produce an upstream LCA. The result is a complete analysis of the upstream supply chain including analysis by supplier, category, and tier. Impact is calculated by the basic formula of: Activity Data x impact factor = impact. For example, spend ($) x impact factor (kgCO2e/$) = impact (kgCO2e).

Waste generated in operations

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
39528

Emissions calculation methodology
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Avery Dennison collects data on the volume of waste generated in our facilities on an annual basis. This data is tracked by waste type and treatment. The quantity of generated waste material as well as disposal method was collected for 2022 and then converted to GHG emissions using the emission factors from the EPA's Office of Resource Conservation and Recovery (February 2016) Documentation for Greenhouse Gas Emission and Energy Factors used in the Waste Reduction Model (WARM).

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
6459

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
We have partnered with Climate Earth to calculate Scope 3 totals relevant to our business. To calculate upstream impacts, Climate Earth utilizes an environmental extended input-output LCA (EEIO) model, and this year we began using the V2 model. The EEIO analysis relies on financial data to make assessments of cradle-to-gate environmental impacts based on the US EPA's emissions factors. The EPA model has calculated environmental impacts of industries in the form of impact/dollar. Climate Earth maps a customer's spend by purchase category to these factors to produce an upstream LCA. The result is a complete analysis of the upstream supply chain including analysis by supplier, category, and tier. Impact is calculated by the basic formula of: Activity Data x impact factor = impact. For example, spend ($) x impact factor (kgCO2e/$) = impact (kgCO2e).

Employee commuting

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
24292

Emissions calculation methodology
Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Our 2022 methodology was a hybrid method which entailed developing a proxy based on our prior year comprehensive analysis. To develop the proxy, we determined the emissions in MT CO2e per full-time equivalent (FTE) global employees based on our 2021 emissions results and we applied this proxy to our 2022 FTE global employee count of approximately 36,000. All other assumptions from the prior year analysis were maintained in 2022. In 2022, Avery Dennison had approximately 36,000 full-time equivalent employees globally. Employees at manufacturing locations were assumed to commute to work full-time. Non-manufacturing employees were assumed to work from home 90% of the time, and commute into the office the remaining 10% of the time.

Employee commuting emissions were estimated by using regional trends for commute mode, commute time and mileage and applying the appropriate emission factors. Commute mode breakdown and commute time were sourced from the US Census, UK Census, Canadian Census, and IZA Institute of Labor Statistics.

For our locations in the United States and United Kingdom, city and state census data was used. For locations in LATAM, APAC, and Europe, country-specific transportation studies from Deloitte were used when available. Regional-based assumptions for the remainder of our locations were made where direct data could not be obtained.

The average miles by type of transportation (passenger car, public transit, carpooling, motorcycle and active transport) were estimated using average commute distance and time by city, region or country, utilizing the aforementioned data sources. Then, based on commute mode breakdown from census data and number of employees at each office, the total number of miles for each mode at a given office was estimated. This information was converted into GHG emission using emission factors from US EPA and UK DEFRA.

This methodology is a change from prior years as explained in 5.1b and 5.1c.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Avery Dennison has very few upstream leased assets that are not accounted for in Scope 1+2. These upstream leased assets, such as third-party leased warehouses where we store inventory, are excluded from our Scope 1+2 GHG inventory as they are outside of our operational boundary and are de minimis (representing less than 1% of Scope 1+2). While these would be considered Scope 3, we do not consider these emissions relevant to our Scope 3 footprint because the minimal number of sites and limited activity results in an emissions impact that is de minimus compared to our overall Scope 3 footprint as well as these emissions are occurring outside of our operational boundary.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as relevant under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" criteria of "sector guidance" as defined in Table 6.1 based on our review of operations.

Processing of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
633727

Emissions calculation methodology
Site-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Our 2022 emissions were calculated using a proxy of MT CO2e per sales $ per business (Materials Group and Solutions Group, previously LGM and RBIS) determined from our prior-year methodology. We were then able to apply this proxy to our current reporting period sales in $ per business. Our 2021 methodology, which was the basis for our 2022 proxy development, was as follows:

To calculate Materials Group (MG) emissions, Avery Dennison utilized the 2021 volume and area data and 2016 product data provided by Avery Dennison's product managers and R&D team, focused on the top 80% of products by volume sold. The emissions for the remaining 20% of MG volume was extrapolated based on the top 80%, which was considered representative. Mass by product category was determined using average product material composition representing the top five selling products for each selected product category, including thickness and mass of each material layer. It was assumed that 100% of the product materials were sent to a third-party convertor for printing and trimming, slitting, and die-cutting. This information was converted into GHG emissions using emissions factors from Ecoinvent.

To calculate Solutions Group (SG) emissions, it was assumed that our products were sold to end brands and required attachment to the third party's product by thread. To calculate the emissions, we assumed that products' 1.5x1.5" paper tag has an average mass of 0.157 kg/sqm. Based on the total 2021 estimated SG product mass of approximately 263,000,000 kg and assumed 10 cm of 40 weight thread (40km of thread weighs 1 kg) used per SG product, amounts to approximately 115,000,000 km of thread weaved. This information was converted into GHG emissions using emissions factors from Ecoinvent.

The majority of our products that undergo third party conversion is in the MG business unit, and includes materials such as paper face and liner, film face and liner, and adhesives. The distribution of material converted by mass is 99% MG and 1% SG. This product and material distribution combined with MG accounting for 65% of our total sales in 2021 means that the materials, emissions factors and assumptions related to MG drove the overall results.

This methodology is a change from prior years as explained in 5.1b and 5.1c.

Use of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Avery Dennison sells a large variety of intermediate goods with diverse applications making it difficult to assess emissions reasonably and accurately around the use of sold products. The majority of Avery Dennison's products are not known to directly consume energy or fuel, and the direct use-phase emissions are considered de minimus. Additional analysis of the optional indirect use-phase emissions may be considered in the future. Thus, these emissions were excluded in accordance with the Greenhouse Gas Protocol Section 6.4 and therefore are considered to be zero (0).

End of life treatment of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1266162

Emissions calculation methodology
Spend-based method
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Our 2022 emissions were calculated using a proxy of MT CO2e per sales $ per business (Materials Group and Solutions Group, previously LGM and RBIS) determined from our prior-year methodology. We were then able to apply this proxy to our current reporting period sales in $ per business. Our 2021 methodology, which was the basis for our 2022 proxy development, was as follows:

To calculate Materials Group (MG) end-of-life emissions, Avery Dennison utilized the 2021 volume and area data and 2016 product data and focused on the top 80% of products by volume sold. Emissions for the remaining 20% MG volume were extrapolated based on top 80%.

Mass by product category was determined using average product material composition representing the top 5 selling products for each selected product category including thickness and mass of material layer. Percentages of material scrap and waste disposed of at a converter, end user, and consumer end-destination based on a previous Avery Dennison commissioned study from 2016.

Material scrap and waste were assigned treatment options at the converter, end user, and consumer end-destination based on a previous our commissioned study from 2020. The 2020 study provided treatment percentages assumptions by geographic regions . Disposal rates varied by region and material. On average more than 50% of our paper materials are landfilled. This information was converted into GHG emissions using Ecoinvent emissions factors.

To calculate Solutions Group end-of-life emissions, we utilized a Multi-Regional Environmentally Extended Input-Output (MRIO) dataset. The MRIO dataset relies on financial data by sector to calculate factors as USD/kg of material to convert sales data into material mass. Using this approach, spend ($) divided by the factor ($/kg) = material mass (kg). Using product category assumptions based on sales volume and end-of-life treatment assumptions, we calculated GHG emissions using Ecoinvent emissions factors.

The vast majority of our materials across business units is paper-driven, meaning that emissions factors and assumptions related to paper end-of-life treatment are driving the overall results. In particular, the biogenic methane emissions from the landfill treatment of paper is a large contributor to overall emissions.

This methodology is a change from prior years as explained in 5.1b and 5.1c.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Avery Dennison does not have any downstream leased assets, therefore Scope 3 GHG emissions associated with downstream leased assets are zero (0).

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Avery Dennison does not have any franchises, therefore Scope 3 GHG emissions associated with franchises are zero (0).

Investments

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This Scope 3 category does not meet any of the criteria (size, influence, risk, stakeholders, outsourcing, etc.) deemed as relevant under the WRI/WBCSD "Corporate Value Chain (Scope 3) Accounting & Reporting Standard" criteria of "sector guidance" as defined in Table 6.1 based on Avery Dennison's review of operations.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Avery Dennison does not have any other upstream emissions, therefore Scope 3 GHG emissions associated with other (upstream) are zero (0).

Other (downstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Avery Dennison does not have any other downstream emissions, therefore Scope 3 GHG emissions associated with other (downstream) are zero (0).

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?
No

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities
Timber

Do you collect or calculate GHG emissions for this commodity?
No, not currently but intend to collect or calculate this data within the next two years

Reporting emissions by
<Not Applicable>

Emissions (metric tons CO2e)
<Not Applicable>

Denominator: unit of production
<Not Applicable>

Change from last reporting year
<Not Applicable>

Please explain
<Not Applicable>

Explain why you do not calculate GHG emission for this commodity and your plans to do so in the future
Currently Avery Dennison calculates emissions from our purchased goods and services, which include timber-based materials sourced from paper manufacturers, but we do not currently possess the granularity of isolating impacts specifically for timber. We will be seeking a method to gain this granularity in conjunction with collecting and incorporating primary data from supplies through our engagement with CDP Supply Chain.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
35.2

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
318077

Metric denominator
unit total revenue

Metric denominator: Unit total
9039.3

Scope 2 figure used
Market-based

% change from previous year
15.2

Direction of change
Decreased

Reason(s) for change
Change in renewable energy consumption
Other emissions reduction activities
Acquisitions

Please explain
Our gross Scope 1 and Scope 2 emissions intensity decreased by 15.2% due to emission reduction projects, which drove energy efficiency and low-carbon energy consumption in our facilities and throughout our production processes. The following examples outline our 2022 investments contributing to emissions reductions at Avery Dennison: On-site solar panel installations and facility projects to reduce energy consumption, including waste heat recovery, chiller upgrades, insulation enhancement, and higher efficiency indoor and outdoor lighting implementation. These projects and associated operational improvements have allowed us to make progress towards achieving our GHG reduction targets, including purchasing unbundled renewable energy attributes in several markets. Additionally, acquisitions caused us to recalculate our Scope 1 and 2 baseline. The recalculated figures were slightly higher than before, resulting in a smaller decrease than would have otherwise been realized. Note our intensity metric is tracked in millions USD.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	188186.2	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	95.7	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	107.5	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Asia Pacific (or JAPA)	57685.9
Europe, Middle East and Africa (EMEA)	38764.6
Latin America (LATAM)	6938.7
North America	85000.1

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Materials Group	150037
Solutions Group	6201
Fastener Solutions/Yongle	32151

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

No

C-AC7.4c/C-FB7.4c/C-PF7.4c

(C-AC7.4c/C-FB7.4c/C-PF7.4c) Why do you not include greenhouse gas emissions pertaining your business activity(ies) in your direct operations as part of your global gross Scope 1 figure? Describe any plans to do so in the future.

	Primary reason	Please explain
Row 1	Judged to be unimportant	Avery Dennison is organized around our two businesses: Materials Group and Solutions Group. This organizational structure provides us with an actionable way to manage our approach to reducing Scope 1 emissions. While this is our current process, this is subject to change in the future.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Asia Pacific (or JAPA)	147695	83591.2
Europe, Middle East and Africa (EMEA)	23846	4642.7
Latin America (LATAM)	10520.9	8511.6
North America	108673	32941.9

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Materials Group	173947	64700
Solutions Group	109919	37867
Fastener Solutions/Yongle	33869	27120

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

Not relevant as we do not have any subsidiaries

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	26536	Decreased	7.62	This number represents the incremental benefits from an increase in the renewable energy credits that were purchased by Avery Dennison or received via a PPA or vPPA in 2022 versus 2021, plus incremental scope 1 solar consumption, converted into CO2e using site specific electricity emission factors in Avery Dennison's GHG management system. (26,536 MT CO2e / 348,369 MT CO2e)*100 = 7.62% decrease (Total scope 1 and 2 emissions were 348,369 MT CO2e in 2021 and 318,077 MT CO2e in 2022.)
Other emissions reduction activities	6269	Decreased	1.8	This number represents the CO2e emission reductions that were attained by the completed energy efficiency projects as outlined in 4.3a. The CO2e emissions reductions were calculated by applying the site-specific emission values in Avery Dennison's GHG management system to the estimated annual energy consumption reduction for each of the completed projects. (6,269 MT CO2e / 348,369 MT CO2e) *100 = 1.80% decrease (Total scope 1 and 2 emissions were 348,369 MT CO2e in 2021 and 318,077 MT CO2e in 2022.)
Divestment	0	No change	0	There were no divestments in 2022.
Acquisitions	20446	Increased	5.87	This number represents the 2022 CO2e emissions of acquisitions added to Avery Dennison's inventory, specifically Vestcom, ACPO, JDC, and RTVPrint. (20,446 MT CO2e / 348,369 MT CO2e) *100 = 5.87% decrease (Total scope 1 and 2 emissions were 348,369 MT CO2e in 2021 and 318,077 MT CO2e in 2022.)
Mergers	0	No change	0	There were no mergers in 2022.
Change in output	17932	Decreased	5.15	Estimated GHG emissions associated with a reduction in output. 17,932 MT CO2e / 348,369 MT CO2e) *100 = 5.15% decrease (Total scope 1 and 2 emissions were 348,369 MT CO2e in 2021 and 318,077 MT CO2e in 2022.)
Change in methodology	0	No change	0	There was no change in methodology in 2022 applicable to scope 1 and 2. The only methodology changes were for scope 3, which did not trigger a recalculation and thus did not result in any changes in emissions.
Change in boundary	0	No change	0	There were no changes in the boundary in 2022.
Change in physical operating conditions	0	No change	0	There were no changes in physical operating conditions in 2022.
Unidentified	0	No change	0	There were no unidentified changes in 2022.
Other	0	No change	0	There were no other changes in 2022.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	983388	983388
Consumption of purchased or acquired electricity	<Not Applicable>	391378	239010	630388
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	15357	15357
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	3188	<Not Applicable>	3188
Total energy consumption	<Not Applicable>	394566	1237755	1632321

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Avery Dennison does not consume fuel in the form of sustainable biomass.

Other biomass

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Avery Dennison does not consume fuel in the form of other biomass.

Other renewable fuels (e.g. renewable hydrogen)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Avery Dennison does not consume fuel in the form of other renewable fuels.

Coal

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Avery Dennison does not consume fuel in the form of coal.

Oil

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Avery Dennison does not consume fuel in the form of oil.

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
963441

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
915269

MWh fuel consumed for self-generation of steam
48172

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Natural Gas and Propane

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
19947

MWh fuel consumed for self-generation of electricity
19947

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment
Diesel fuel

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
983388

MWh fuel consumed for self-generation of electricity
19947

MWh fuel consumed for self-generation of heat
915269

MWh fuel consumed for self-generation of steam
48172

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	3188	3188	3188	3188
Heat	915269	915269	0	0
Steam	48172	48172	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption
United States of America

Sourcing method
Financial (virtual) power purchase agreement (VPPA)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
131615

Tracking instrument used
US-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2020

Comment
Project RECs from Plum Creek Wind virtual power purchase agreement applied across multiple manufacturing sites

Country/area of low-carbon energy consumption
China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
71975

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2008

Comment
Purchase of unbundled I-RECs applied across multiple manufacturing facilities in China

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Country/area of low-carbon energy consumption
China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
2910

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2012

Comment
Purchase of unbundled I-RECs applied to a facility in China

Country/area of low-carbon energy consumption
China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
19064

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2008

Comment
Purchase of unbundled I-RECs applied to a facility in China

Country/area of low-carbon energy consumption
China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
10000

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2004

Comment
Purchase of unbundled I-RECs applied to a facility in China

Country/area of low-carbon energy consumption
China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
7700

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2016

Comment
Purchase of unbundled I-RECs applied to a facility in China

Country/area of low-carbon energy consumption
Viet Nam

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
20000

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Viet Nam

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2011

Comment
Purchase of unbundled I-RECs applied to a facility in Vietnam

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Country/area of low-carbon energy consumption
Turkey

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
6000

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Turkey

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2017

Comment
Purchase of unbundled I-RECs applied to a facility in Turkey

Country/area of low-carbon energy consumption
Malaysia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
6000

Tracking instrument used
TIGR

Country/area of origin (generation) of the low-carbon energy or energy attribute
Malaysia

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
1985

Comment
Purchase of unbundled TIGRs applied to a facility in Malaysia

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Country/area of low-carbon energy consumption
Honduras

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
4765

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Honduras

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2015

Comment
Purchase of unbundled I-RECs applied to a facility in Honduras

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Country/area of low-carbon energy consumption
India

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
1688

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
India

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2012

Comment
Purchase of unbundled I-RECs applied to a facility in India

Country/area of low-carbon energy consumption
Dominican Republic

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
768

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Dominican Republic

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2020

Comment
Purchase of unbundled I-RECs applied to a facility in the Dominican Republic

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Country/area of low-carbon energy consumption
Colombia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Large hydropower (>25 MW)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
287

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Colombia

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2001

Comment
Purchase of unbundled I-RECs applied to a facility in Colombia

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Country/area of low-carbon energy consumption
Brazil

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Sustainable biomass

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
85

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Brazil

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2010

Comment
Purchase of unbundled I-RECs applied to a facility in Brazil

Country/area of low-carbon energy consumption
Malaysia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Sustainable biomass

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
1913

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Malaysia

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2016

Comment
Purchase of unbundled I-RECs applied to a facility in Malaysia

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Country/area of low-carbon energy consumption
Malaysia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Sustainable biomass

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
1166

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Malaysia

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2021

Comment
Purchase of unbundled I-RECs applied to a facility in Malaysia

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Country/area of low-carbon energy consumption
Malaysia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Sustainable biomass

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
809

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Malaysia

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2018

Comment
Purchase of unbundled I-RECs applied to a facility in Malaysia

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Country/area of low-carbon energy consumption
Malaysia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Sustainable biomass

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
2158

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Malaysia

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2019

Comment
Purchase of unbundled I-RECs applied to a facility in Malaysia

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Country/area of low-carbon energy consumption
Malaysia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Sustainable biomass

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
40

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Malaysia

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2017

Comment
Purchase of unbundled I-RECs applied to a facility in Malaysia

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Country/area of low-carbon energy consumption
Luxembourg

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
24897

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Greece

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2019

Comment
Purchase of unbundled GOs applied to a facility in Luxembourg

---

Country/area of low-carbon energy consumption
Belgium

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
32661

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Greece

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2020

Comment
Purchase of unbundled GOs applied to a facilities in Belgium

Country/area of low-carbon energy consumption
France

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
16212

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Greece

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2017

Comment
Purchase of unbundled GOs applied to a facilities in France

Country/area of low-carbon energy consumption
Netherlands

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
6249

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Greece

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2016

Comment
Purchase of unbundled GOs applied to a facilities in the Netherlands

---

Country/area of low-carbon energy consumption
United Kingdom of Great Britain and Northern Ireland

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
9169

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Greece

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2019

Comment
Purchase of unbundled GOs applied to a facility in the UK

Country/area of low-carbon energy consumption
Germany

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
5842

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Greece

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2015

Comment
Purchase of unbundled GOs applied to a facility in Germany

Country/area of low-carbon energy consumption
Switzerland

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
3150

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Greece

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2019

Comment
Purchase of unbundled GOs applied to a facility in Switzerland

---

Country/area of low-carbon energy consumption
Belgium

Sourcing method
Purchase from an on-site installation owned by a third party (on-site PPA)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
3465

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
Belgium

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2017

Comment
Direct wind PPA

Country/area of low-carbon energy consumption
China

Sourcing method
Purchase from an on-site installation owned by a third party (on-site PPA)

Energy carrier
Electricity

Low-carbon technology type
Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
790

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2019

Comment
Direct rooftop solar PPA

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
Argentina

Consumption of purchased electricity (MWh)
2368.62

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
6375.28

Total non-fuel energy consumption (MWh) [Auto-calculated]
8743.9

Country/area
Australia

Consumption of purchased electricity (MWh)
448.07

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
448.07

Country/area
Bangladesh

Consumption of purchased electricity (MWh)
11331.53

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
11331.53

Country/area
Belgium

Consumption of purchased electricity (MWh)
36125.43

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
59001.93

Total non-fuel energy consumption (MWh) [Auto-calculated]
95127.36

Country/area
Brazil

Consumption of purchased electricity (MWh)
8085.61

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?

<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
15403.69

Total non-fuel energy consumption (MWh) [Auto-calculated]
23489.3

Country/area
Cambodia

Consumption of purchased electricity (MWh)
252.82

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
252.82

Country/area
Canada

Consumption of purchased electricity (MWh)
597.67

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
827.78

Total non-fuel energy consumption (MWh) [Auto-calculated]
1425.45

Country/area
Chile

Consumption of purchased electricity (MWh)
254.4

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
254.4

Country/area
China

Consumption of purchased electricity (MWh)
158994.2

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
19948

Consumption of self-generated heat, steam, and cooling (MWh)
215699.32

Total non-fuel energy consumption (MWh) [Auto-calculated]
394641.52

Country/area
Colombia

Consumption of purchased electricity (MWh)
418.71

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
418.71

Country/area
Czechia

Consumption of purchased electricity (MWh)
248.12

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
45.26

Total non-fuel energy consumption (MWh) [Auto-calculated]
293.38

Country/area
Denmark

Consumption of purchased electricity (MWh)
128.66

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
192.3

Total non-fuel energy consumption (MWh) [Auto-calculated]
320.96

Country/area
Dominican Republic

Consumption of purchased electricity (MWh)
767.89

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
3.61

Total non-fuel energy consumption (MWh) [Auto-calculated]
771.5

Country/area
Egypt

Consumption of purchased electricity (MWh)
0

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
0

Country/area
Finland

Consumption of purchased electricity (MWh)
2.5

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2.5

Country/area
France

Consumption of purchased electricity (MWh)
16212.01

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
37349.48

Total non-fuel energy consumption (MWh) [Auto-calculated]
53561.49

Country/area
Germany

Consumption of purchased electricity (MWh)
6507.7

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
12018.02

Total non-fuel energy consumption (MWh) [Auto-calculated]
18525.72

Country/area
Honduras

Consumption of purchased electricity (MWh)

8956.11

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
111.82

Total non-fuel energy consumption (MWh) [Auto-calculated]
9067.93

Country/area
Hong Kong SAR, China

Consumption of purchased electricity (MWh)
7560.88

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
1045.03

Total non-fuel energy consumption (MWh) [Auto-calculated]
8605.91

Country/area
India

Consumption of purchased electricity (MWh)
13873.55

Consumption of self-generated electricity (MWh)
1684.11

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
23526.46

Total non-fuel energy consumption (MWh) [Auto-calculated]
39084.12

Country/area
Indonesia

Consumption of purchased electricity (MWh)
2890.17

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2890.17

Country/area
Ireland

Consumption of purchased electricity (MWh)
1905.13

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
287.22

Total non-fuel energy consumption (MWh) [Auto-calculated]
2192.35

Country/area
Israel

Consumption of purchased electricity (MWh)
10916.12

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
10916.12

Country/area
Italy

Consumption of purchased electricity (MWh)
8161.14

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
1772.65

Total non-fuel energy consumption (MWh) [Auto-calculated]
9933.79

Country/area
Japan

Consumption of purchased electricity (MWh)
295.24

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0.93

Total non-fuel energy consumption (MWh) [Auto-calculated]
296.17

Country/area
Kenya

Consumption of purchased electricity (MWh)
54.4

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
54.4

Country/area
Luxembourg

Consumption of purchased electricity (MWh)
24897

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
54936

Total non-fuel energy consumption (MWh) [Auto-calculated]
79833

Country/area
Malaysia

Consumption of purchased electricity (MWh)
21832.48

Consumption of self-generated electricity (MWh)
523.34

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
11891.61

Total non-fuel energy consumption (MWh) [Auto-calculated]
34247.43

Country/area
Mauritius

Consumption of purchased electricity (MWh)
47.38

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
47.38

Country/area
Mexico

Consumption of purchased electricity (MWh)
12025.57

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
12537.8

Total non-fuel energy consumption (MWh) [Auto-calculated]
24563.37

Country/area
Netherlands

Consumption of purchased electricity (MWh)
6476.19

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
10967.66

Total non-fuel energy consumption (MWh) [Auto-calculated]
17443.85

Country/area
New Zealand

Consumption of purchased electricity (MWh)
170.92

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
170.92

Country/area
Norway

Consumption of purchased electricity (MWh)
2939.9

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2939.9

Country/area
Pakistan

Consumption of purchased electricity (MWh)
1166.91

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
1166.91

Country/area
Peru

Consumption of purchased electricity (MWh)

0

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
0

Country/area
Poland

Consumption of purchased electricity (MWh)
776.19

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
496.39

Total non-fuel energy consumption (MWh) [Auto-calculated]
1272.58

Country/area
Romania

Consumption of purchased electricity (MWh)
687.88

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
661.77

Total non-fuel energy consumption (MWh) [Auto-calculated]
1349.65

Country/area
Singapore

Consumption of purchased electricity (MWh)
323.28

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
323.28

Country/area
South Africa

Consumption of purchased electricity (MWh)
931.91

Consumption of self-generated electricity (MWh)
146.31

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
1078.22

Country/area
Republic of Korea

Consumption of purchased electricity (MWh)
6087.09

Consumption of self-generated electricity (MWh)
150.17

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
9604.72

Total non-fuel energy consumption (MWh) [Auto-calculated]
15841.98

Country/area
Spain

Consumption of purchased electricity (MWh)
488.1

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
488.1

Country/area
Sri Lanka

Consumption of purchased electricity (MWh)
4176.64

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
4176.64

Country/area
Switzerland

Consumption of purchased electricity (MWh)
3150.3

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
7517.1

Total non-fuel energy consumption (MWh) [Auto-calculated]
10667.4

Country/area
Taiwan, China

Consumption of purchased electricity (MWh)
510.5

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
510.5

Country/area
Thailand

Consumption of purchased electricity (MWh)
6208.2

Consumption of self-generated electricity (MWh)
683.95

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
11428

Total non-fuel energy consumption (MWh) [Auto-calculated]
18320.15

Country/area
Turkey

Consumption of purchased electricity (MWh)
6353.02

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
1816.1

Total non-fuel energy consumption (MWh) [Auto-calculated]
8169.12

Country/area
United Arab Emirates

Consumption of purchased electricity (MWh)
955.32

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
955.32

Country/area
United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)
9169.1

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
25719.43

Total non-fuel energy consumption (MWh) [Auto-calculated]
34888.53

Country/area
United States of America

Consumption of purchased electricity (MWh)
195379.29

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
442203.85

Total non-fuel energy consumption (MWh) [Auto-calculated]
637583.14

Country/area
Viet Nam

Consumption of purchased electricity (MWh)
27893.21

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
27893.21

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Waste

Metric value
93

Metric numerator
Percentage of waste diverted from landfill

Metric denominator (intensity metric only)

% change from previous year
1

Direction of change
Decreased

Please explain
Our goal is to have our operations be 95% landfill-free by 2030, with a minimum of 80% of our waste recycled and the remainder reused, composted, or sent to energy recovery. This builds on our 2025 goal of having 75% of our waste reused, repurposed, or recycled. Because the waste streams at our facilities differ, each site sets waste reduction goals based on its waste generation, which in turn support corporate and divisional goals. The inclusion of a new acquisition in 2022 decreased our percentage diverted from landfill but we are working to integrate our landfill diversion efforts into our newly acquired facilities.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Avery Dennison CY2022 Verification Opinion.pdf
Avery Dennison CY2022 Verification Report.pdf

Page/ section reference
Pages 1 to 10

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Avery Dennison CY2022 Verification Opinion.pdf
Avery Dennison CY2022 Verification Report.pdf

Page/ section reference
Pages 1 to 10

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Avery Dennison CY2022 Verification Opinion.pdf
Avery Dennison CY2022 Verification Report.pdf

Page/ section reference
Pages 1 to 10

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Purchased goods and services
Scope 3: Capital goods
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
Scope 3: Upstream transportation and distribution
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Avery Dennison CY2022 Verification Opinion.pdf
Avery Dennison CY2022 Verification Report.pdf

Page/section reference
Pages 1 to 10

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect other climate related information at least annually from suppliers

% of suppliers by number
20

% total procurement spend (direct and indirect)
48

% of supplier-related Scope 3 emissions as reported in C6.5
70

Rationale for the coverage of your engagement
Avery Dennison assesses, at a minimum, 80% of our Materials Group's direct spend through the EcoVadis or CDP Supply Chain assessment programs, which includes an evaluation of environmental impact and policies. We use the platforms to encourage suppliers to be assessed and improve on scores year over year. In 2020, we set a new target to reduce our 2018 baseline Scope 3 emissions by 30% by 2030 and an ambition of net zero by 2050. We are partnering with CDP Supply Chain and EcoVadis to collect energy and emissions-related data from our key suppliers in order to partner with them to achieve our target.

Impact of engagement, including measures of success
Avery Dennison uses the information collected to inform our strategy to meet our goal to, by 2030, reduce Scope 3 emissions by 30%. To understand opportunities for reducing our carbon footprint, we use a lifecycle analysis tool we developed for the materials we source. Our analysis has shown that making significant reductions in our Scope 3 emissions requires us to substantially reduce the volumes of materials we purchase while simultaneously switching to materials with a reduced carbon footprint. Our business units have begun making these adjustments, and, at the enterprise level, we are analyzing how to re-engineer and reduce material usage while maintaining or improving product quality.

In 2022 and 2023, we made significant progress in measuring and reporting our product carbon footprint. Under development in 2022 and launched in March 2023, we transitioned to a bespoke carbon footprinting tool created in collaboration with the Carbon Trust to continue to drive towards transparency and continuous improvement in environmental impact measurement and reporting of our label products. The Carbon Trust footprinting tool utilizes Avery Dennison's primary data from operations and is intended to provide information on the greenhouse gas and water footprint of an expanding array of Avery Dennison's label and packaging materials products globally, including selected faces, liners, and adhesives. The footprint reports are generated from a certified model and align with the reporting and verification methodology of GHG Protocol Product Standard, PAS2050 and ISO-14067.

Avery Dennison measures the success of this engagement through our Scope 3 emissions and progress towards achieving our Scope 3 emissions target.

Comment

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Climate change performance is featured in supplier awards scheme

% of suppliers by number
60

% total procurement spend (direct and indirect)
75

% of supplier-related Scope 3 emissions as reported in C6.5
87

Rationale for the coverage of your engagement
Each year, Avery Dennison's Materials Group recognizes distinguished pressure-sensitive industry suppliers for the company's annual Global Supplier Awards. In 2023, 12 suppliers were recognized, including five Supplier Distinction awards and seven Special Recognition awards granted for extraordinary service to our business.

The Avery Dennison Supplier Distinction Award Program considers four areas of excellence required to maintain a competitive advantage in an increasingly demanding industry: Quality, Service, Sustainability and Strategic Growth. Climate change considerations are included in the Sustainability area of excellence. To be considered eligible for recognition, a supplier must have met key metrics in each of the four areas.

Impact of engagement, including measures of success
Avery Dennison uses our supplier awards program to incentivize our suppliers to implement key metrics in the four areas of excellence described above: Quality, Service, Sustainability and Strategic Growth. By implementing these metrics, our suppliers will be able to improve their organizational sustainability, thereby more easily achieving their targets and helping us achieve our targets.

Avery Dennison measures the success of this engagement through our Scope 3 emissions and progress towards achieving our Scope 3 emissions target.

Comment

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Avery Dennison considers the climate impact of waste generated from our products downstream in the supply chain. In-process waste is generated at the next two levels in the value chain and has a negative climate impact. Challenges in recycling include the fragmented locations of the waste and finding local recycling solutions. We have engaged other value chain members (suppliers, competitors, customers and industry experts and partners), which has resulted in an ad hoc consortium focused on combining all current routes of recycling and creating industry solutions to support recycling where there are existing gaps. The consortium, Circular Economy for Labels (CELAB), has been established for North America and Europe with plans to expand to Latin America and Asia Pacific in the future, with the goal to recycle this waste globally and advance down the path to circularity. CELAB seeks to accelerate matrix and liner recycling industry-wide, which aligns with our sustainability commitments, including 2025 targets to ensure operations will be 95 percent landfill-free, to repurpose 75 percent of waste and to help customers reduce waste from our products by 70 percent.

Our work to help form CELAB is part of stepped-up global actions by Avery Dennison to advance circular approaches globally to matrix and liner recycling through the AD Circular Program, which helps other value chain partners recycle used paper and filmic label liners in countries across Europe. We created AD Circular for brands and other label users—anyone who applies labels to packaging and has leftover label liners. Other value chain partners in Belgium, Denmark, France, Germany, Netherlands, Poland, Sweden, Spain and the United Kingdom can register for AD Circular. We plan to enable registration in other countries in the near future.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Climate-related disclosure through a non-public platform

Description of this climate related requirement

Within our Materials Group, we use EcoVadis to conduct annual environmental, social and ethical performance of top-tier suppliers. The assessment produces an overall rating for each supplier, as well as a performance rating within the categories of Environment, Sustainable Procurement, Labor & Human Rights and Ethics. The report also highlights opportunities for improvement and includes news alerts with any emerging controversies. Materials Group has an active initiative in place to ensure that all direct suppliers not currently scored in EcoVadis or scoring below our required threshold sign compliance to our Global Supplier Standards before our company engages with them.

For our Solutions Group, suppliers must provide climate data to Avery Dennison as set forth in our Solutions Group Responsible Sourcing Policy.

% suppliers by procurement spend that have to comply with this climate-related requirement

80

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier scorecard or rating

Response to supplier non-compliance with this climate-related requirement

Retain and engage

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number
MP1

Management practice
Practices to increase wood production and forest productivity

Description of management practice
Avery Dennison works directly with suppliers under a variety of frameworks to encourage certification of sustainable raw materials, thus encouraging practices to increase responsible forest management, to protect our natural forests and drive towards a deforestation free future, whilst ensuring no negative impact on the local communities.

Your role in the implementation
Knowledge sharing

Explanation of how you encourage implementation
We offer training and educational opportunities to align suppliers with FSC Chain of Custody, FSC Controlled Wood, FSC Recycled, and PEFC Sustainable Forest Management and Sustainable Forestry Initiative (SFI).

Climate change related benefit
Increasing resilience to climate change (adaptation)

Comment
Yes, we use an external auditor, Rainforest Alliance (RFA) to validate the geographical locations from which timber has been sourced, and the percentage of material that comes from certified or FSC sources. The annual audit is the verification standard to ensure that the progress to our goal - 100% certified paper of which 70% is FSC certified - is met.

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?
Yes

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?
No, but we plan to have one in the next two years

Attach commitment or position statement(s)
<Not Applicable>

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan
The processes Avery Dennison has in place to ensure all of our direct and indirect activities that influence policy are consistent with our overall climate change strategy are twofold:

1) We track new and proposed climate change legislation through our engagement with trade associations and our sustainability organizations.

2) We review these regulations and engagements quarterly with those responsible for our sustainability efforts and make recommendations to ensure alignment with our climate change strategy.

Furthermore, our Climate Policy describes our strategy oversight and response to climate-related issues within our organization and throughout our value chain. https://www.averydennison.com/content/dam/avery_dennison/corporate/global/english/documents/sustainability/climate_policy/AveryDennison_ClimatePolicy_August2020.pdf

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate
<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Other, please specify (Sustainable Apparel Coalition)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
The Sustainable Apparel Coalition (SAC) goals are outlined in the SAC's Higg Facilities Module that includes, among other things, energy management systems and GHG emissions. The modules' aspirational-level questions give manufacturers clear guidance on hotspots for improvement and outline the current best practices in the field. These tools align with the GHG reduction target promoted by SAC and the apparel industry as a whole.

Avery Dennison has participated in a number of working groups in the SAC. Through this involvement, we are working to influence the position of the SAC and as an extension, its members. We plan to be an industry leader when it comes to disclosure and progress in GHG reduction as the Higg Index is used as a comparison tool. We currently use the HIGG FEM tool for all major Solutions Group Apparel manufacturing facilities and disclose the information on the HIGG platform.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
48000

Describe the aim of your organization's funding
The $48,000 is a membership fee to be part of the SAC. In addition to this fee, we also pay a cost per audit. These costs roughly total an additional $120,000 per year.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Tag and Label Manufacturers Association Label Initiative for the Environment)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
The Tag and Label Manufacturers Association Label Initiative for the Environment (TLMI) position on climate change is demonstrated through their sustainability subteam. They are focused on recycling for reduced carbon impact of liners and matrix as well as awarding companies with a demonstrated improvement in energy efficiency through partnerships within the value chain.

Avery Dennison chairs the Tag and Label Manufacturers Institute's (TLMI) five Environmental Committees, which bring together experts from TLMI member companies and serve as a reliable source for solutions in a wide range of environmental topics.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
25000

Describe the aim of your organization's funding
Membership fee for corporate members of TLMI.

PSL Trade organization that pulls the value chain together (i.e., manufactures, suppliers, converters) to share learnings and discuss how to solve industry challenges and ways to grow the industry. We have members on the Sustainability, Future Label Leaders, matrix/liner recycling and manufacturing workforce committees. We are also a platinum sponsor and support efforts in the annual meetings.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (The Association of Plastic Recyclers)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
The Association of Plastic Recyclers undertakes research and takes positions on plastics recycling. In one study, they have found that replacing plastic packaging with adequate non-plastic alternatives will increase greenhouse gas emissions by a factor of 2.2 with maximum decomposition of degradable alternative materials.

Avery Dennison supports this position by creating products that enable clean recycling of plastics (PET and HDPE) which can offset the extraction of new materials. This promotes plastic options as the less carbon-intensive options for packaging.

As a member of the Association of Plastic Recyclers' (APR) Board of Directors, Technical Committee and Communications Committee, we recently helped APR revise their design guidelines for recyclable plastic.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
20000

Describe the aim of your organization's funding
Membership fee for corporate members of The Association of Plastic Recyclers.

Engage & network with plastic recycling association and members (i.e., suppliers, converters, brands, recyclers, trade org) to understand requirements of rigid plastic recycling, current technologies/processes and future evolution of the industry. We have AD employees on technical committees to understand tech requirements, engage in discussions in future standards, and provide PSL industry perspective to discussions.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Circular Economy for Labels)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
Circular Economy for Labels was created in 2020 to pursue a variety of workstreams that acknowledge the different production processes and recycling capabilities that exist in different markets.

CELAB North America is currently focused on a range of matrix and release liner recycling needs, including analyzing technical issues, promoting the use and creation of recycling networks, interacting with government regulators, and educating the industry and public in different markets.

Avery Dennison chairs the CELAB and helped facilitate the creation of this association to streamline the conversations around recycling technologies.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
15000

Describe the aim of your organization's funding
Membership fee for corporate members of CELAB.

We engage with association at the Board level and tech committee level to foster efforts to pull the value chain together to drive solutions, collaboration across the value chain to establish/increase infrastructure to enable matrix and liner recycling efforts.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (American Chamber of Commerce to the European Union)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. Via its membership of AmCham EU, Avery Dennsion contributes to EU policy conversations around digital policy, sustainability policies and transatlantic relations.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
25000

Describe the aim of your organization's funding
Membership fee for corporate members of AmCham EU.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (DIGITALEUROPE)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
DIGITALEUROPE is the leading trade association representing digitally transforming industries in Europe. They stand for a regulatory environment that enables European businesses and citizens to prosper from digital technologies. The association plays a key role in enabling Avery Dennison to keep track of key digital policies and advocate for a strong role for digital technologies in driving sustainability across the EU.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
50000

Describe the aim of your organization's funding
Membership fee for corporate members of DIGITALEUROPE.

Membership in DIGITALEUROPE allows Avery Dennison to give input into the European policies for which the trade association lobbies. DIGITALEUROPE's lobbying shapes the industry policy positions on all relevant legislative matters and contributes to the development and implementation of relevant EU policies.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (European Association for Packaging and the Environment - EUROPEN)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
EUROPEN aims to achieve a fully accessible European market for packaging and packaged products, while protecting the product and the environment. EUROPEN's

position, which highlights the importance of a single market for products in the EU and emphasizes the role of innovation in driving growth, is consistent with Avery Dennison's position. In consideration of EUROPEN's crucial role in representing the packaging supply chain vis-á-vis the European Institutions, Avery Dennison regularly engages with EUROPEN members in discussions around key policy positioning. In particular, we work with EUROPEN to ensure that the decorations industry is represented in packaging policy conversations. Avery Dennison joined EUROPEN in 2020 as the only packaging decoration company in the membership.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
25000

Describe the aim of your organization's funding
Membership fee for corporate members of EUROPEN.

Membership in EUROPEN allows Avery Dennison to receive timely intelligence on EU packaging legislations and in-depth analysis of relevant EU developments and policies and offers opportunities to engage directly with EU policymakers, key stakeholders and representatives from the entire packaging value chain through dedicated meetings and events. Members also benefit from reliable and timely support from the EUROPEN Secretariat to clarify and address concerns. Additionally, members can access EUROPEN's members only website with tailored information available, including meeting documents, thematic work programs and mappings of key EU and national packaging laws and regulations.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Association of the European Adhesive & Sealant Industry)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
The Association of the European Adhesive & Sealant Industry (FEICA) is a member-oriented, value-driven organization representing the European adhesive and sealant sector. Avery Dennison engages with FEICA on various regulatory files that affect its product but also on technical guidelines on packaging recyclability and chemical safety.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)
11200

Describe the aim of your organization's funding
Membership fee for corporate members of FEICA.

Membership in FEICA allows Avery Dennison to keep up to date on emerging legislation through dialogue with EU legislators and information exchange with national adhesive and sealant associations. Members also receive valuable information and advice tailored to their needs, analyzed by FEICA with the unique perspective of the adhesive and sealant industry, with input as appropriate from its national association members and other experts. Finally, members can share best practices, exchange views, and network with others in the industry.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports

Status
Complete

Attach the document
2022-AveryDennison-Integrated-Report.pdf

Page/Section reference
Section I

Content elements
Governance
Strategy
Risks & opportunities
Emission targets

Comment
The scientific consensus is that the emission of greenhouse gases (GHG) is altering the composition of our atmosphere in ways that are adversely affecting global climate. Concern regarding climate change has led and is likely to continue to lead to increasing demands by legislators and regulators, customers, shareholders and non-governmental organizations for companies such as Avery Dennison to reduce their GHG emissions.

Publication
In voluntary communications

Status
Complete

Attach the document
March 2023-ESG-Download.pdf

Page/Section reference
All

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
The ESG download is available on the Avery Dennison website and includes not only content related to climate but to additional company goals. Additional climate content elements include incentives for management around climate change and waste reduction.

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Science Based Targets Network (SBTN) UN Global Compact World Business Council for Sustainable Development (WBCSD) Other, please specify (Sustainable Apparel Coalition)	SBTN In October 2021 Avery Dennison's emissions reduction targets were approved by the Science Based Targets initiative (SBTi) as consistent with levels required to meet the goals of the Paris Agreement. UN Global Compact In November 2020, Avery Dennsion joined the UN Global Compact and first disclosed our progress on our annual commitments in November 2021. WBCSD In January 2023, Avery Dennison joined WBCSD and began engaging in projects within WBCSD Climate Action and Nature Action Imperatives and within the Products & Materials Pathway. WBCSD's Climate Action Imperative is focused on accelerating climate action and tackling Scope 3 transparency and its Partnership for Carbon Transparency (PACT) particularly seeks to address the challenge of Scope 3 GHG emissions accounting by developing the methodological and technical infrastructure required for the exchange of primary product emissions data based on a common approach. Sustainable Apparel Coalition As a founding member of the Sustainable Apparel Coalition since 2012, Avery Dennison has the opportunity to collaborate with leading global apparel brands and utilize its knowledge of sustainable solutions. We conduct HIGG FEM audits and Facility Social and Labor Module (FSLM) audits of our Solutions Group manufacturing facilities. These audits are accessible in the HIGG index available to SAC members.

C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

No

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, and we do not plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments only	Other, please specify (Avery Dennison Responsible Paper Procurement Policy)	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don't plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don't plan to within the next two years

Value chain stage(s) covered

<Not Applicable>

Portfolio activity

<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity

<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	No, we are not taking any actions to progress our biodiversity-related commitments, but we plan to within the next two years	<Not Applicable>

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Content of biodiversity-related policies or commitments Biodiversity strategy	Relevant biodiversity information is located on pages 1-3. We strive to source paper from certified sources. Based on Rainforest Alliance audits of our procurement process, we are using a risk- based approach to biodiversity-related issues. averydennisonresponsiblepaperpolicy.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	President and Chief Operating Officer	Chief Operating Officer (COO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	9039300000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Avery Dennison is currently evaluating options for an accurate method to allocate emissions to our customers.
Customer base is too large and diverse to accurately track emissions to the customer level	Avery Dennison is currently evaluating options for an accurate method to allocate emissions to our customers.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?
Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

Avery Dennison is currently evaluating options for an accurate method to allocate emissions to our customers.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?
No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?
No, I am not providing data

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below
I have read and accept the applicable Terms