

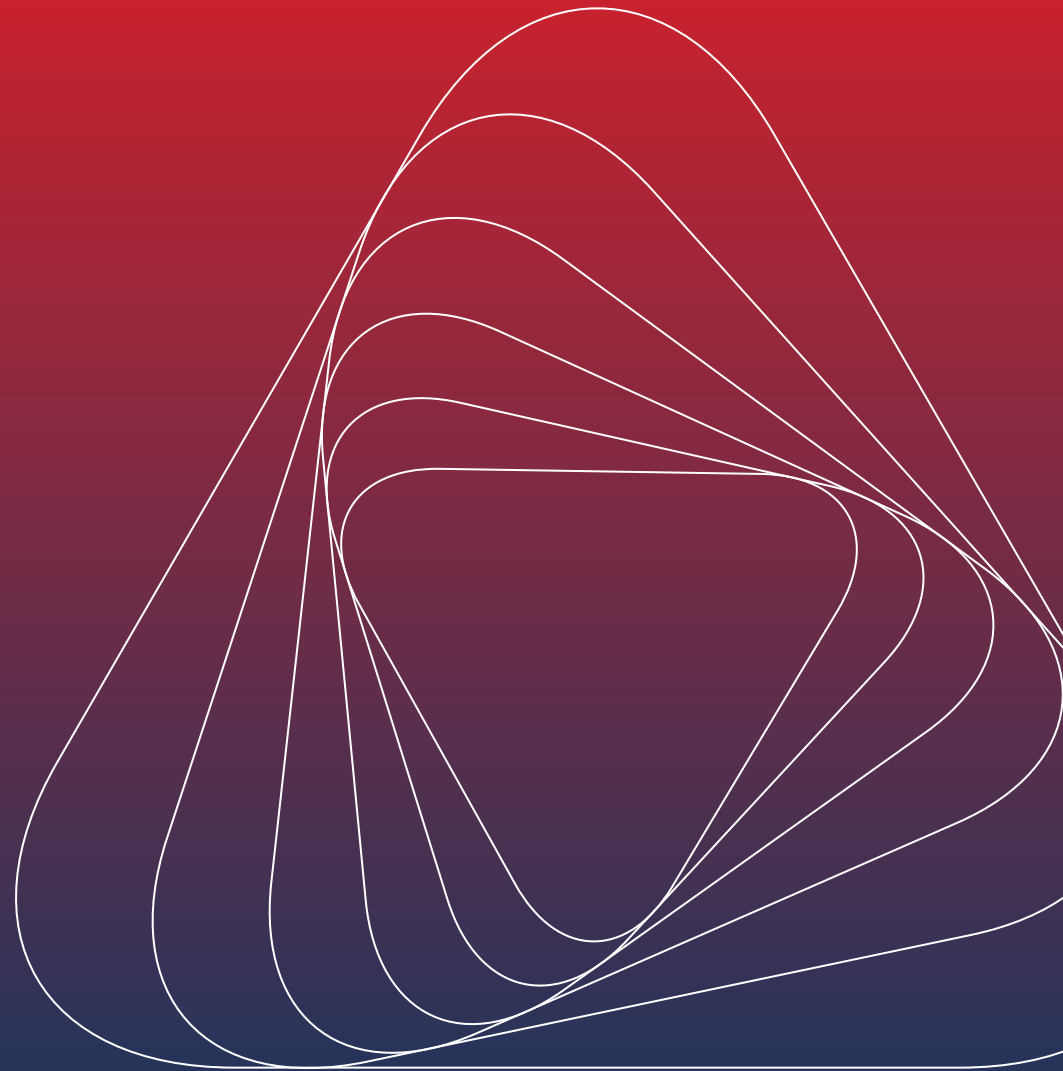
ESG Download

Environmental,
Social and
Governance Policies
and Metrics

August 2020



At Avery Dennison, sustainability isn't separate from our business strategy—it is a business strategy. Sustainability is one of our values and integral to our aim of creating value for all of our stakeholders with focus on our people, climate, innovation and operational excellence.



Disclosure

	References	2017	2018	2019	Discussion	Source
Responds to SASB					Avery Dennison is categorized as Containers and Packaging under SASB's SICS system. In this ESG Download, we also included SASB indicator codes for the Apparel and Chemical Sectors.	
Responds to GRI					We have published sustainability reports beginning in 2008 (moving to annual reporting with our first integrated report for 2019), and have reported in accordance with GRI since 2010. Read our most recent Sustainability Addendum .	Sustainability Reports
Responds to CDP					We have responded to CDP Climate since 2010, and CDP Water and CDP Forest since 2015 and 2019, respectively.	CDP Responses
Science-Based Targets					Our Approach is based on The 3% Solution developed by the World Wildlife Fund, CDP, and McKinsey & Company.	CDP Responses

Environmental

	References	2017	2018	2019	Discussion	Source
Air Quality						
Air emissions	SASB: RT-CP-110a.1 RT-CH-110a.1 GRI: 305-1				Of our 214 facilities as of December 31, 2019, only 55 - or 26% - produce air emissions. These are captured at the facility level, primarily for volatile organic compounds (VOCs). Our VOC data is not available at the enterprise level at this time.	

Environmental

	References	2017	2018	2019	Discussion	Source
Air Quality						
Air emissions: NOx (excluding N ₂ O)	SASB: RT-CP-120a.1 GRI: 305-7				Air emissions such as NOx are measured based on local permit requirements. The resulting data is site specific and not available at an enterprise level at this time.	
Air emissions: volatile organic compounds (VOCs)	GRI: 305-7				VOC emissions are tracked at the site level. Our VOC data is not available at the enterprise level at this time.	
Biodiversity						
Approach to evaluating and managing biodiversity concerns	GRI: 304				Our Responsible Paper Sourcing Policy addresses the measures we take to minimize wood fiber sourced from potentially controversial locations, including those with significant ecological value. In order to work toward achieving these goals, we have partnered with the Rainforest Alliance to provide support in policy implementation and validation of wood fiber materials sourced by our Label and Graphic Materials (LGM) and Retail Branding and Information Solutions (RBIS) business groups. In 2020, we performed our 8th assessment with Rainforest Alliance.	Responsible Paper Sourcing Policy
Climate Change						
Climate Change Policy					We are committed to reducing our greenhouse gas (GHG) footprint throughout our value chain. Our Climate Policy details our strategy, oversight and response to climate-related issues within our organization and throughout our value chain. As a World Wildlife Fund Climate Savers partner, member of the Renewable Energy Buyers Alliance, and signatory of the American Business Act on Climate Pledge, we support the global effort to reduce GHG emissions.	Avery Dennison Climate Change Policy

Environmental

	References	2017	2018	2019	Discussion	Source
Climate Change						
Board Oversight of Climate Strategy					Our Board’s Governance and Social Responsibility Committee’s responsibilities include overseeing climate change risks and opportunities. We consider climate-related risks in our Enterprise Risk Management process (formally conducted twice each year), the results of which are reported to our Board of Directors.	Avery Dennison Climate Policy CDP Climate - Section C3.1c
Climate Change Strategy					<p>Our Energy and Climate Change Strategy corresponds with our business and sustainability strategies, and includes establishing targets based on science to reduce absolute GHG emissions by at least 26% (3% per year) by 2025, compared to our 2015 baseline. Our Sustainability Charter lays out the primary tenets of how we influence our business strategy to integrate sustainability and climate change through the following goals:</p> <ul style="list-style-type: none"> - More sustainable products: We will improve the energy and carbon footprint of our products and services through innovation and life-cycle management. For example, our Greenprint tool houses our environmental product information, which we use for internal decision making and discussion with customers. - More sustainable processes: We will improve the energy and GHG efficiency of our operations and will work toward continual improvement at all facilities. - More sustainable purpose: We will communicate and engage with key stakeholders to achieve our energy and climate change goals and to meet the interests of customers, shareholders, employees, and the communities where we operate. 	CDP Climate - Section C3.1c

Environmental

References	2017	2018	2019	Discussion	Source
Climate Change					
Climate Change-related risks & opportunities				The aspects of climate change that have influenced our strategy include regulatory, physical, and consumer-related risks and incentives-based opportunities. The most substantial business decision made was expanding use of life-cycle assessment in product design, in addition to partnering with and membership in NGOs with a focus on GHG reduction. These activities were influenced by stakeholder requests, brand differentiation goals and desire for a leadership position in sustainability and energy cost reduction targets.	CDP Climate - Section C3.1c
Incentives for management around climate change				One of the strategic pillars by which our CEO's annual performance is evaluated is Sustainability and Diversity. Specifically, the following measures were considered for 2019: <ul style="list-style-type: none"> - Make progress toward our 2025 sustainability goals, including reducing GHG emissions by 3% - Ensure 95% of our operations are landfill-free - Evaluate gender pay equity and begin to adjust compensation as appropriate 	CDP Climate - Section C1.3a
Internal Price of Carbon				We are evaluating the use of an internal price for carbon.	CDP Climate - Section C11.3

Environmental

References	2017	2018	2019	Discussion	Source
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Environmental Management Systems

Certifications obtained for environmental management system

Our Environmental Management System is aligned with ISO 14001.

Percentage of operations certified

30 of our 214 sites have ISO 14001 Certification, as of December 31, 2019.

Energy

Activities to reduce energy consumption

GRI: 302-4

We regularly undertake initiatives and projects to improve our energy efficiency. In 2018, our facilities have commenced or completed 54 projects with an estimated annual energy reduction of 23,042 MWh per year.

Energy/Renewable energy targets

Our LGM and RBIS businesses have annual energy intensity improvement targets of 2% and 3%, respectively, measured as MWh of electricity and natural gas consumed per unit production. As of year end 2019, the LGM business reduced the energy intensity of its coating facilities by more than 46% compared to 2007, and reduced overall intensity by 16.7% compared to 2015, an average annual reduction of 4.2% compared to an annual target of 3%. As of year end 2019, the RBIS business reduced energy intensity by 33% compared to its 2015 baseline, an average reduction of 8.25%.

Environmental

	References	2017	2018	2019	Discussion	Source
Energy						
Total energy consumption	SASB: RT-CP-130a.1 GRI: 302-1	6,324K	6,262K	6,003K	Total energy consumption is measured in gigajoules (GJ).	CDP Climate - Section C8.2a
Percentage grid electricity	SASB: RT-CP-130a.2 GRI: 302-2	34%	35%	36%		CDP Climate - Section C8.2a
Percentage renewable	SASB: RT-CP-130a.3 GRI: 302-3	11%	12%	14%	Though our current use of renewable energy is low compared to our overall energy consumption, we anticipate that it will increase due to our US wind virtual power purchase agreement (vPPA), starting June 2020. This agreement is expected to generate 127,550 MWh annually toward our operations.	CDP Climate - Sections C3.1d and C8.2a
Total self-generated energy	SASB: RT-CP-130a.4 GRI: 302-4				We self-generate less than 1% of our total energy consumption, primarily through backup diesel generators.	

GHG Emissions

Compensation policy references specific science-based targets for reducing GHG emissions with 2 degree scenario

As part of the annual CEO performance evaluation, our CEO is measured on the company's progress towards our 2025 sustainability goals, which are informed by the The 3% Solution developed by the World Wildlife Fund, CDP, and McKinsey & Company.

[Avery Dennison Climate Policy](#)

Environmental

	References	2017	2018	2019	Discussion	Source
GHG Emissions						
Emission reduction activities					<p>The majority of our emission reduction comes from renewable energy projects, including five low carbon energy purchases, applied globally.</p> <p>Emission reductions have been achieved through a portfolio of activities, including energy efficiency improvements, switching to less emissions-intensive fuel sources, and renewable electricity sourcing via on-site, owned solar, direct wind and solar PPAs, and procurement of renewable energy credits. We also entered into a virtual wind power purchase agreement in the US, which is expected to come online in 2020. This US wind vPPA is expected to generate 127,550 MWh annually toward our operations, with the owned renewable energy certificates expected to offset the equivalent of 98,800 metric tons CO₂e annually.</p>	<p>Avery Dennison Climate Policy</p> <p>CDP Climate - Sections C7.9a and C3.1d</p>
Total GHG emissions (Scope 1 + Scope 2)	<p>SASB: RT-CP-110a.1 RT-CP-110a.2</p> <p>GRI: 305-1 305-2</p>	537K	503K	474K	<p>We measure market-based GHG emissions from our operations, which include purchases of renewable energy credits (RECs) to offset some electrical consumption from the grid. We measure overall GHG emissions to track progress against our 2025 GHG emission reduction target, but do not currently measure Scope 1 and 2 emissions separately. Data is available to calculate the portion of total GHG emissions that are Scope 1 (~43% in 2019) and Scope 2 (~57% in 2019), but it requires separate, manual calculations outside of our data software capabilities at this time.</p> <p>GHG emissions are measured in metric tons (t) of carbon dioxide (CO₂) equivalent (e). Our 2019 location-based Scope 2 emissions will be disclosed in our 2020 CDP response.</p>	<p>CDP Responses</p>

Environmental

	References	2017	2018	2019	Discussion	Source
Waste						
Waste Reduction Policy	SASB: RT-CP-150a.1				By 2025, the goal is for our operations to be 95% landfill-free, with 75% of our waste reused, repurposed or recycled. Each site must set waste reduction goals based on its waste generation and corporate or divisional goals.	
Effluent Management Program					This treatment method consists of each facility sending its wastewater effluent to a public or community treatment facility to be properly treated. Once the wastewater arrives at the treatment facility, it is treated through physical, chemical and/or biological processes.	
Amount of hazardous waste generated; percentage recycled	SASB: RT-CP-150a.1 GRI: 306-2	17K; 14%	16K; 17%	18K; 23%	Chemical waste and contaminated materials must be handled in accordance with Global Standard 3.01 - Waste Management. Hazardous waste is measured in metric tons (t) and by percentage recycled.	
Percentage of waste diverted from landfill	GRI: 306-3	92.9%	93.4%	94.3%	We have a goal to ensure that our operations are 95% landfill-free.	2019 Integrated Sustainability and Annual Report p. 9
Percentage of waste sent to landfills	GRI: 306-2	7.1%	6.6%	5.7%		2019 Integrated Sustainability and Annual Report p. 9

Environmental

	References	2017	2018	2019	Discussion	Source
Waste						
Percentage of diverted material recycled		62%	64%	65%		2019 Integrated Sustainability and Annual Report p. 9
Provide data on significant spills		34	37	24	Defined as release to the environment (air, water, earth) where the quantity exceeds: (a) 5 gallons/20 liters, (b) a Reportable Quantity in the US or (c) which requires notification to a governing agency (excluding water). Most of the spills occurred inside a building, contained and cleaned with minimal or no impact to the environment.	
Water						
Water Policy					Water conservation policy and targets are in process of being created. We expect to have a publicly available policy by the end of 2020.	CDP Water - Section W6.1
Quantitative water reduction targets					In 2010, after tracking our water consumption, we concluded that we use relatively little water in our direct operations. We continue to track our water consumption and look for ways to use water more efficiently in our products and processes. Annually, we conduct a standard water risk assessment with the World Resource Institute's Aqueduct to determine at-risk sites based on basin and geography, and compare that to our operations.	CDP Water - Section 3.3a
Water conservation as a sustainability goal					Water conservation policy and targets are in process of being created. We expect to have publicly available data by the end of 2020.	

Environmental

	References	2017	2018	2019	Discussion	Source
Water						
Water management risks and discussion of strategies and practices to mitigate those risks	SASB: RT-CP-140a.2				We perform an annual water assessment using the World Resource Institute's Aqueduct tool. Based on recent assessments, several sites have been identified as medium/high Overall Risk based on their location. We are currently evaluating the impact our direct operations may have on the water basins in those areas, as well as the risk(s) to our business of utilizing water resources in these regions. We anticipate evaluating these risks in the next 24 months. We also anticipate evaluating our paper suppliers that may be operating in water stress regions to determine if those suppliers have water management strategies in place.	CDP Water - Sections W3.3 - W4.3b
Plans to use alternative water resources					When possible, our operational sites and research and development labs use recycled water.	
Total water consumed, percentage in regions with high baseline water stress	SASB: RT-CP-140a.1 GRI: 303-1	528	579	540	We track total water consumed but do not identify consumption in regions with high or extremely high baseline water stress. Water consumption is measured in millions of gallons consumed.	
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	SASB: RT-CP-140a.3	0	3	1	In 2019, we had 1 incident of exceeding our discharge permit which occurred at our Peachtree, GA facility. We exceeded the permit limit for Chemical Oxygen Demand, meaning the amount of oxidizing agent needed to fully oxidize the organic compounds in the wastewater into carbon dioxide was slightly higher than allowed by our permit. The limit is 1500 mg/liter and our water discharge was found to contain 1520 mg/l. The discharge was re-tested and found to be in compliance with the permit.	

Social

References	2017	2018	2019	Discussion	Source
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Community Relations

Discussion of engagement processes to manage risks and opportunities associated with community interests	SASB: RT-CH-210a.1 GRI: 413-1			We have a long history of helping to strengthen the communities in which we do business through volunteerism and financial support of community-based organizations. Lending our resources to help communities meet some of their most urgent challenges is a natural extension of our values and part of our responsibility as a member of communities around the world. We make most of our community investments through the Avery Dennison Foundation, adhering to strict financial and governance guidelines. Employees across our geographic regions and business units also organize additional community-giving efforts. In all our giving, we focus on efforts to drive measurable and meaningful change.	Avery Dennison Foundation Community Impact web page
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Community Spending	1.5M	1.6M	1.6M	Community spending is measured in USD (\$).
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Diversity & Inclusion

Non-Discrimination Policy				We are committed to treating every employee fairly and with respect. That means we provide equal opportunity to all employees and applicants. We prohibit unlawful discrimination or harassment because of race, color, religion, sex, pregnancy, national origin, ancestry, citizenship, age, marital status, physical disability, mental disability, medical condition, sexual orientation, gender identity or expression, veteran status or any other status protected by law. In making employment decisions, we focus solely on individual qualifications, demonstrated skills, abilities and achievements, and other factors relevant to the job.	Code of Conduct p. 17
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Social

	References	2017	2018	2019	Discussion	Source
Diversity & Inclusion						
Percentage of women in the workforce	GRI: 102-8	38%	37%	38%		
Percentage of women in management and above		33%	33%	34%		
Percentage of female executives		22%	21%	28%	Defined as Vice President level and above.	
Gender pay ratios					As part of our efforts toward our people-related 2025 goals, we evaluated our gender pay equity in 2019, and made adjustments to compensation where needed.	Proxy Statement p. vii
Incidents of discrimination and corrective actions taken	GRI: 406-1				<p>We do not report on specific incidents, but encourage and support teamwork and mutual respect among all employees, and are committed to providing a work environment where all employees are treated with respect, courtesy, and dignity.</p> <p>We maintain a “zero tolerance” policy against all forms of harassment involving a protected category under applicable federal, state or local law, including but not limited to sexual harassment, threats in the workplace, and violence in the workplace.</p> <p>Violations of this policy result in prompt and appropriate preventive and/or remedial action, up to and including termination of any violator’s employment.</p> <p>If employees believe this policy has been violated, we encourage them to report the incident to their manager, the Regional Ethics Counsel (or another member of the Law Department), Human Resources, or by using our Business Conduct GuideLine, anonymously if they wish.</p>	Code of Conduct

Social

References	2017	2018	2019	Discussion	Source
Human Rights					
Human Rights Policy				<p>We address human rights concerns regarding our operations and supply chain through our corporate policies, including the Avery Dennison Human Rights Policy.</p> <p>Within our RBIS business units, all manufacturing locations and Tier 1 suppliers are regularly audited against our social standards. In 2019, this encompassed 20,435 employees within Avery Dennison owned facilities and 146 social audits of our owned locations. We also conducted an additional 265 social audits of our suppliers in 2019.</p>	<p>Human Rights Policy</p> <p>Slavery and Human Trafficking Statement</p> <p>Responsible Paper Sourcing Policy</p> <p>Supplier Standards</p> <p>Social Compliance Supplementary Standards</p>
Human Rights or other policy covers community consultations and indigenous rights				<p>As a significant stakeholder in the supply chain of pulp and paper products, we recognize our important role and opportunity in promoting and providing sustainable and socially responsible paper products. Wood fiber is not harvested in violation of internationally accepted guidelines and treaties to protect human rights of indigenous peoples. Our Human Rights Policy describes our commitments to human rights within our supply chains.</p>	<p>Human Rights Policy</p> <p>Responsible Paper Sourcing Policy</p>
Policy Against Child Labor				<p>Neither we nor our suppliers may use child labor. The term “child” refers to a person younger than 15 or the local legal minimum age for employment, whichever is higher. Our Human Rights Policy describes our commitments, and our Social Compliance Supplementary Manual discusses conditions for juvenile workers and required actions if an instance of child labor is discovered.</p>	<p>Supplier Standards</p> <p>Human Rights Policy</p>

Social

	References	2017	2018	2019	Discussion	Source
Labor Relations						
Statement of commitment to a fair or living wage for all employees					<p>Our employees are our most important asset. There are merit-based programs and/or general increase programs based on local market analysis of comparable positions in place to assist in our objective to provide fair and competitive compensation and benefits to all our employees.</p> <p>All business units shall comply with all applicable local laws, including those pertaining to wages, overtime, and benefits.</p>	
Paying temporary contract workers minimum wage and/or other employment benefits					<p>Suppliers, contractors, and subcontractors shall compensate all employees in compliance with all applicable local laws pertaining to wages, including overtime and benefits. Suppliers and subcontractors may not make deductions from pay for disciplinary infractions, reporting unfair or illegal practices, or other “whistleblowing” activities.</p> <p>Within our RBIS business units, we make a commitment that our contingent workforce will not exceed 10% of their total workforce, the contract will not exceed 6 months, and all contingent workers will be paid the same as an entry level employee in the same role. We completed 22 audits against this standard operating practice in 2019.</p> <p>Our contingent workforce comprises less than 5% of our total employee base.</p>	<p>Supplier Standards</p> <p>Social Compliance Supplementary Standards</p>
Evidence of collective agreements					<p>There are multiple collective agreements in place globally, some industry-wide by country and others specific to our locations. In some countries there are no agreements.</p>	

Social

	References	2017	2018	2019	Discussion	Source
Occupational Health & Safety						
Health and Safety Policy					<p>We comply with all applicable environmental, health, and safety laws. Furthermore, our company will go beyond the legal requirements whenever, in our judgment, it is prudent to do so.</p> <p>Over the last two decades, we've steadily improved our practices and increased employee involvement and training to achieve a world-class safety record.</p> <p>Our EHS Audit Program includes compliance auditing for industrial hygiene and safety-related issues.</p>	
(1) Total recordable incident rate and (2) fatality rate for direct employees and contract employees	<p>SASB: RT-CH-320a.1</p> <p>GRI: 403-2</p>	<p>TRIR: 0.28</p> <p>LTIR: 0.16</p>	<p>TRIR: 0.26</p> <p>LTIR: 0.17</p>	<p>TRIR: 0.23</p> <p>LTIR: 0.12</p>	<p>In 2019 we experienced our first employee fatality in over 20 years. At our facility in Malaysia, an employee died while operating a machine. We provided financial support for the employee's family as well as grief-counseling services for employees at the site. Our people are at the heart of our business, and our top priority is to ensure that every employee arrives home healthy and safe each day. We conducted a full investigation of the incident and a complete review of our safety procedures, and reinforced our safety protocols with our global workforce.</p> <p>LTIR: Lost Time Injury Rate</p>	
Efforts to assess, monitor and reduce exposure of employees and contract workers to long-term (chronic) health risks	<p>SASB: RT-CH-320a.2</p>				<p>Our effort to assess and monitor exposure of employees and contract workers to long-term health risks is managed on a site-by-site basis. Each site evaluates potential exposures and develops in-house monitoring plans.</p>	

Social

References	2017	2018	2019	Discussion	Source
Workforce					

To achieve our vision in a way that reflects the company’s values, our goal is to employ the best people who reflect a diverse workforce at all levels and provide them with opportunities for learning and career growth.

Accordingly, one of our objectives is to provide an environment of professionalism, growth and opportunity, facilitate career and personal development, and continually review and develop programs aimed at optimizing productivity at all levels.

Training Policy

GRI: 404-1

At a minimum, all employees receive the functional training needed to perform their current tasks as well as Compliance and Values & Ethics trainings. There are also a number of resources available to our employees globally to facilitate their career and personal development:

- Global Performance Management process
- Career Development / Learning Centers which house tools for career development and training
- Onboarding System to support a well-structured onboarding of new employees

Social

	References	2017	2018	2019	Discussion	Source
Workforce						
Employee Training	GRI: 404-1				<p>Our philosophy linked to development and training follows the 70/20/10 approach:</p> <ul style="list-style-type: none"> - 70% of learning happens on the job - 20% of learning comes from exposure to and interaction with others - 10% of learning happens formally <p>Learning Advisor, a global learning platform, supports our employees to follow this approach for their personal and career development and to select from different types of learning, including formal trainings, self-study, learn by doing, and learn from others.</p> <p>Additionally, there are local guidelines and policies in place at the majority of sites, as well as regional initiatives and programs, dedicated to facilitate and support the development of our employees.</p>	
Percentage of favorable responses on employee engagement survey		81%	81%	82%	We conduct an annual enterprise-wide Employee Engagement Survey. Percent is derived from proportion of respondents who stated agree or strongly agree on a five point Likert scale.	
Number of employees	SASB: RT-CP-000.C GRI: 102-8	30,276	32,014	32,738		
Employee turnover (voluntary / total)		9.6% 18.1%	10.1% 17.1%	10.2% 17.1%		

Product

	References	2017	2018	2019	Discussion	Source
Production						
Production by reportable segment; percentage as: paper/wood and plastic	SASB: RT-CP-000.A RT-CP-000.B				<p>Our reportable segments for fiscal year 2019 were LGM, RBIS, and Industrial and Healthcare Materials (IHM). In 2019, the LGM, RBIS, and IHM segments comprised approximately 67%, 23%, and 10%, respectively, of our total sales.</p> <p>For LGM and IHM, raw materials represented between 50% and 55% of combined sales in 2019. Roughly 45% of that spend related to specialty paper-based materials, 25-30% was tied to plastic films and resins for films that we manufacture ourselves, and most of the balance tied to adhesives and other chemicals.</p>	2019 Form 10-K p. 1
Percentage of products by revenue that contain GMOs	SASB: RT-CH-410c. 1				We believe that our products currently do not contain any GMOs, but plan to formally assess this in our next annual supplier compliance survey in 2021. If we do identify any use of GMOs, we will implement the necessary systems to track and report this in the future.	
Product Life-cycle Management						
Reductions in energy requirements of products and services	GRI: 302-5				We develop products with sustainability 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 reengineering its composition to reduce the amount of material needed could enable less energy use in its production.	

Product

References	2018	2019	Discussion	Source
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Product Life-cycle Management

Strategies to reduce the environmental impact of packaging throughout its life-cycle	SASB: RT-CP-410a.3		We are increasing recyclability with products that enable recyclability of PET and HDPE containers through our CleanFlake™ product portfolio. In August 2020, we received APR recognition for labeling materials to enable recycling of HDPE containers. We are also introducing recycled content into our labeling facestocks and liners (e.g., rPET, rPP, rPE).	CleanFlake™ APR Recognition for HDPE Recycling
Revenue from products that are reusable, recyclable, and/or compostable; or products designed for use-phase resource efficiency	SASB: RT-CH-410a.1 RT-CP-410a.2 GRI: 301-2	LGM: \$1.6B RBIS: \$617M	LGM: \$1.9B RBIS: \$688M In 2019, we determined that at least 40% and 46% of our LGM and RBIS business' revenues, respectively, were from products that are responsibly sourced, enable recyclability, contain recycled content, or use less material without compromising performance.	Solutions for Sustainability Proxy Statement p. vii

Raw Materials Sourcing

Policy regarding the purchase of wood and/or wood-based products from sustainable sources			We recognize the most pressing social and environmental issues related to wood and paper sourcing, including illegal logging and forest degradation, and aim to use only paper and packaging materials made of wood fiber harvested under conditions that promote social and environmental responsibility and stewardship.	Responsible Paper Sourcing Policy
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Product

	References	2017	2018	2019	Discussion	Source
Raw Materials Sourcing						
Total wood fiber procured, percentage from certified sources	SASB: RT-CP-430a.1				We do not procure wood fibers directly.	
Obtained any of the following chain of custody certifications for wood or wood-based products/materials: FSC, PEFC, SFI					We obtain certifications from both the Forest Stewardship Council (FSC) and the Program for Endorsement of Forest Certification (PEFC).	
Percentage of total volume paper certified		84%	87%	89%	We disclose the percentage of purchased paper that is FSC-certified and the total volume of paper purchased in metric tons in our most recent Sustainability Addendum .	2019 Integrated Sustainability and Annual Report p. 9
Total aluminum purchased, percentage from certified sources	SASB: RT-CP-430a.2			8%	We procure a small amount of aluminum directly. In 2019, 8% of this was procured from sources certified by the Aluminum Stewardship Initiative, or an equivalent standard.	

Product

References	2017	2018	2019	Discussion	Source
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Product Safety

Strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact

SASB:
RT-CH-410b.2

We implemented restricted substance list (RSL) programs both company-wide and within business units. These programs list chemicals of concern identified by governments, credible NGOs, and customers that are banned or restricted depending on risk. In addition, we maintain a “watch list” of chemicals which must undergo a rigorous alternatives assessment and be approved by a committee of technical leaders prior to use in new products.

Our RBIS business segment maintains its own RSL program which restricts many more chemicals of concern relevant to the apparel and footwear industry in both existing and new products.

Process to identify and manage emerging materials and chemicals of concern

SASB:
RT-CP-250a.2

We implemented a “Regulatory Early Warning System” that uses a comprehensive approach to identifying and tracking developments globally in product and chemical regulations, safety, and environmental impacts.

This system tracks issues regarding emerging and ongoing chemicals of concern and their use in products and manufacturing, as well as notification of affected stakeholders in the company to allow early and effective response and management of the issues.

Product

	References	2017	2018	2019	Discussion	Source
Product Safety						
Processes to maintain compliance with restricted substances regulations	SASB: CG-AA-250a.1				Our product compliance teams, in each business unit and at the corporate level, regularly monitor regulations and other developments applicable to our products through subscriptions to different government agencies such as EUROPA / CPSC, industry groups, and regulatory and chemical tracking and management service providers (AAFA, C2P, chemical watch, Yordas Hive). Affected stakeholders in the company are notified when relevant new developments occur so that appropriate actions can be implemented.	
Processes to assess and manage risks and/or hazards associated with chemicals in products	SASB: CG-AA-250a.2				<p>We implemented RSL programs company-wide and within business units which identify and restrict chemicals of concern. To assess and manage risks from these chemicals, we work with our suppliers and product development teams to identify and reduce chemicals of concern wherever feasible in our products. We also implemented a strict assessment and approval process to minimize or avoid chemicals of concern in new products.</p> <p>Our RBIS business unit maintains a restricted substances list encompassing additional legal requirements from regulations (REACH, CPSIA, RoHS, Cal Prop 65), industry standards (Oeko-tex, ZDHC MRSL, AAFA RSL, AFIRM RSL) and customer standards in the apparel and footwear industry. RBIS requires all suppliers to certify that materials they supply to us meet the RBIS RSL requirements. RBIS conducts over 2,400 tests of raw materials and products to confirm compliance with its RSL.</p>	
Number of recalls	SASB: RT-CP-250a.1				We did not issue any product recalls from 2017 through 2019.	

Supply Chain Management

References	2017	2018	2019	Discussion	Source
Sustainable Supplier Guidelines	GRI: 308-1 414-1			<p>Our Supplier Standards describe standards with which our suppliers are required to comply on matters such as working conditions, labor standards, anti-corruption, and similar legal and ethical requirements. These Standards underscore our commitment to integrity in business activities, abiding by government laws and regulations, providing employees with a safe and healthy working environment, treating employees with dignity and respect, and promoting sustainable practices to help in protecting and preserving the environment. Compliance with these Standards is an ongoing condition of doing business with our company.</p> <p>Additionally, our RBIS business provides Suppliers with Social Compliance Supplementary Standards.</p> <p>Both documents address key environmental and social issues in our supply chain. Suppliers and subcontractors must comply with all applicable environmental laws and ensure that other relevant requirements are achieved. Suppliers, contractors, and subcontractors must take proactive measures to protect, and minimize impacts to, the environment.</p> <p>Both documents also communicate our expectations regarding compensation, working hours, forced labor, child labor, discrimination and human rights, and freedom of association.</p>	<p>Supplier Standards</p> <p>Social Compliance Supplemental Standards</p>

Supply Chain Management

References	2017	2018	2019	Discussion	Source
Evaluation of suppliers on social and environmental risks and performance	GRI: 408-1 409-1			<p>Within LGM, we use EcoVadis to conduct social and environmental evaluations of our Top 200 suppliers (83% of LGM's spend). This assessment produces reports for each supplier which highlight any high risk areas for improvements and includes a news alert to make us aware of any emerging controversies.</p> <p>In RBIS, all new Tier 1 suppliers (outsource suppliers) are audited prior to any orders being placed. These audits are conducted by third party organizations and focus on a number of social, environmental, and health and safety criteria. Each supplier receives an audit score and must develop a corrective action plan for improvement. This audit process replicates the standards and protocols of many external benchmarks such as SEDEX and BCSI, and covers many areas, including the social and environmental controls and systems at the supplier. For a supplier to be onboarded, they need to pass this audit process.</p>	
Number of Suppliers Audited			LGM: 39 RBIS: 265	During 2019, our LGM segment conducted 39 supplier quality audits and our RBIS segment completed 265 social audits across Tier 1 supplier facilities.	
Greatest (1) labor and (2) environmental, health, and safety risks in the supply chain	SASB: CG-AA-430b. 3			Through our supplier audits, we've found the greatest risks are related to working hours, occupational health and safety, and documentation regarding environmental assessments and certifications. When we do find violations, they are promptly addressed through our remediation process.	

Governance

	References	2017	2018	2019	Discussion	Source
Privacy						
Consumer Data Protection Policy					We mainly process personal data about our employees and business contact data relating to our customers, suppliers, and other individuals with whom we have a business relationship. We also gather personal information through our website, which is disclosed in our Website Privacy Notice. The information that we process may include limited amounts of sensitive personal data and we exercise due diligence to protect all the personal information that we hold in accordance with applicable law.	Website Privacy Notice GDPR FAQ

Board Diversity						
Percentage of Women on the Board	GRI: 405-1	18%	18%	18%	As of April 2020, 20% of our Board members are women.	Proxy Statement p. 26
Percentage of Racial/Ethnic Minorities on the Board		18%	18%	18%	As of April 2020, 20% of our Board members are racial or ethnic minorities.	Proxy Statement p. 26
Board of Directors Age Range		46-69 years	47-70 years	48-71 years		Proxy Statement p. 26
Size of the Board		11	11	11	As of April 2020, our Board has ten members.	Proxy Statement p. 22

Governance

References	2017	2018	2019	Discussion	Source
Business Ethics					
Business Ethics Policy				Our Code of Conduct is available in 33 languages and covers, among many other topics related to business ethics, anti-corruption and anti-bribery.	Code of Conduct
Percentage of the total workforce who acknowledge the Code of Conduct in writing	100%	100%	100%		
Employee Protection / Whistleblower Policy				Our Code of Conduct contains language that covers employee protection, reporting concerns, and non-retaliation.	Code of Conduct
Ethics policy or code of conduct extends to include suppliers				By extension, our suppliers are part of our culture, so we do our best to hold them to the same ethical standards we follow. They are bound by our Global Supplier Standards, which detail the best practices and ethical behavior we expect from our suppliers.	Code of Conduct p. 30
Highest level of executive oversight for anti-bribery or anti-corruption				The Governance and Social Responsibility Committee of our Board of Directors oversees social responsibility matters such as sustainability and corporate citizenship, and assists the Board in monitoring the business relationships, affiliations, and financial transactions of directors, officers, and other key employees related to potential conflicts of interest or to our Legal and Ethical Conduct Policy.	2019 Integrated Sustainability and Annual Report p. 14

Governance

	References	2017	2018	2019	Discussion	Source
Business Ethics						
Anti-corruption training is provided to employees	GRI: 205-2				Training topics include Antitrust Compliance, Code of Conduct, Conflict of Interest, Fraud Awareness, Global Export Controls, and Preventing Workplace Violence.	
Percentage of computer-based workforce who completed e-learning courses on business ethics issues		90%	94%	88%		
Percentage of all operational sites for which an internal audit/risk assessment concerning business ethics issues has been conducted				96%	Internal Audit conducts an annual, enterprise-wide values and ethics risk assessment.	
Political Spending						
Information on corporate funds for political advocacy (lobbying, campaign contributions, money to tax-exempt groups or trade associations)					We do not contribute corporate funds for political advocacy.	

Governance

References	2017	2018	2019	Discussion	Source
Governance of CSR					
				Our Sustainability Council is comprised of a group of functional and business leaders to help drive broad accountability and accelerate our progress toward our sustainability goals. The Council meets bi-monthly and updates our executive leadership team quarterly. The Council has the following work streams to help focus its efforts, each of which is led by an internal leader from one of our businesses: Operations, Products and Innovation, and Social Impact and Transparency.	CDP Climate - Section C1.2a
				Board oversight of sustainability is primarily conducted by the Governance and Social Responsibility Committee, which receives a report from management at least once a year. In addition, our full Board hears from our business leaders on our sustainability initiatives during its regular review of our business strategies.	CDP Climate - Section C1.2a
				In 2018, leadership over ensuring meaningful progress towards achieving our 2025 sustainability goals transitioned from our President/CEO, to the Vice President and General Manager of our RBIS business.	CDP Climate - Section C1.2a
				As part of his annual performance evaluation, our CEO is measured on our progress toward our 2025 sustainability goals.	CDP Climate - Section C1.1a
				Our employees receive awareness trainings and communications about our sustainability commitments annually during “Sustainable September.”	
				We train all RBIS leaders in site operations, human resources, and procurement as part of our Integrated Compliance Assurance Program. Courses on the Essentials of Sustainable Packaging from the Sustainable Packaging Coalition are offered to LGM employees.	



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