

2024
Investor Day

MAKING POSSIBLE™



Forward-Looking Statements

Certain statements contained in this document are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements, and financial or other business targets, are subject to certain risks and uncertainties. We believe that the most significant risk factors that could affect our financial performance in the near term include: (i) the impact on underlying demand for our products from global economic conditions, political uncertainty, and changes in environmental standards, regulations, and preferences; (ii) competitors' actions, including pricing, expansion in key markets, and product offerings; (iii) the cost and availability of raw materials; (iv) the degree to which higher costs can be offset with productivity measures and/or passed on to customers through price increases, without a significant loss of volume; (v) foreign currency fluctuations; and (vi) the execution and integration of acquisitions.

Actual results and trends may differ materially from historical or anticipated results depending on a variety of factors, including but not limited to, risks and uncertainties related to the following:

- International Operations – worldwide economic, social, political and market conditions; changes in political conditions, including those related to China, the Russia-Ukraine war, and the Israel-Hamas war and related hostilities in the Middle East; fluctuations in foreign currency exchange rates; and other risks associated with international operations, including in emerging markets
- Our Business – fluctuations in demand affecting sales to customers; fluctuations in the cost and availability of raw materials and energy; changes in our markets due to competitive conditions, technological developments, laws and regulations, tariffs and customer preferences; increasing environmental standards; the impact of competitive products and pricing; execution and integration of acquisitions; selling prices; customer and supplier concentrations or consolidations; financial condition of distributors; outsourced manufacturers; product and service quality; restructuring and other productivity actions; timely development and market acceptance of new products, including sustainable or sustainably-sourced products; investment in development activities and new production facilities; successful implementation of new manufacturing technologies and installation of manufacturing equipment; our ability to generate sustained productivity improvement; our ability to achieve and sustain targeted cost reductions; collection of receivables from customers; our sustainability and governance practices; and epidemics, pandemics or other outbreaks of illness
- Information Technology – disruptions in information technology systems, cyber attacks or other security breaches; and successful installation of new or upgraded information technology systems
- Income Taxes – fluctuations in tax rates; changes in tax laws and regulations, and uncertainties associated with interpretations of such laws and regulations; retention of tax incentives; outcome of tax audits; and the realization of deferred tax assets
- Human Capital – recruitment and retention of employees and collective labor arrangements
- Our Indebtedness – credit risks; our ability to obtain adequate financing arrangements and maintain access to capital; fluctuations in interest rates; volatility in financial markets; and compliance with our debt covenants
- Ownership of Our Stock – potential significant variability of our stock price and amounts of future dividends and share repurchases
- Legal and Regulatory Matters – protection and infringement of intellectual property and the impact of legal and regulatory proceedings, including with respect to compliance and anti-corruption, environmental, health and safety, and trade compliance
- Other Financial Matters – fluctuations in pension costs and goodwill impairment

For a more detailed discussion of these factors, see "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2023 Form 10-K, filed with the Securities and Exchange Commission on February 21, 2024, and subsequent quarterly reports on Form 10-Q.

All forward-looking statements for fiscal year 2024 are made only as of the date of our most recent earnings release (July 23, 2024) and assume the midpoint of our guidance for the year. We undertake no obligation to update these statements to reflect subsequent events or circumstances, other than as may be required by law.

Use of Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures as defined by SEC rules. We report our financial results in conformity with accounting principles generally accepted in the United States of America, or GAAP, and also communicate with investors using certain non-GAAP financial measures. These non-GAAP financial measures are not in accordance with, nor are they a substitute for or superior to, the comparable GAAP financial measures. These non-GAAP financial measures are intended to supplement the presentation of our financial results prepared in accordance with GAAP. We use these non-GAAP financial measures internally to evaluate trends in our underlying performance, as well as to facilitate comparison to the results of competitors for quarters and year-to-date periods, as applicable. Based on feedback from investors and financial analysts, we believe that the supplemental non-GAAP financial measures we provide are also useful to their assessments of our performance and operating trends, as well as liquidity. In accordance with Regulations G and S-K, reconciliations of non-GAAP financial measures from the most directly comparable GAAP financial measures, including limitations associated with these non-GAAP financial measures, are provided in Appendix B of this document.

Agenda

8:30	Registration + Breakfast	
9:30	Welcome	John Eble, VP, Finance & IR
9:35	Strategic Overview	Deon Stander, President & CEO
9:55	Materials Overview	Ryan Yost, President, Materials Group
10:15	Solutions Overview	Francisco Melo, President, Solutions Group
10:45	Financial Review	Greg Lovins, SVP & CFO
11:00	Panel Q&A	Presenters
11:30	Lunch + Networking	
1:00	Event Concludes	

Strategic Overview

Deon Stander

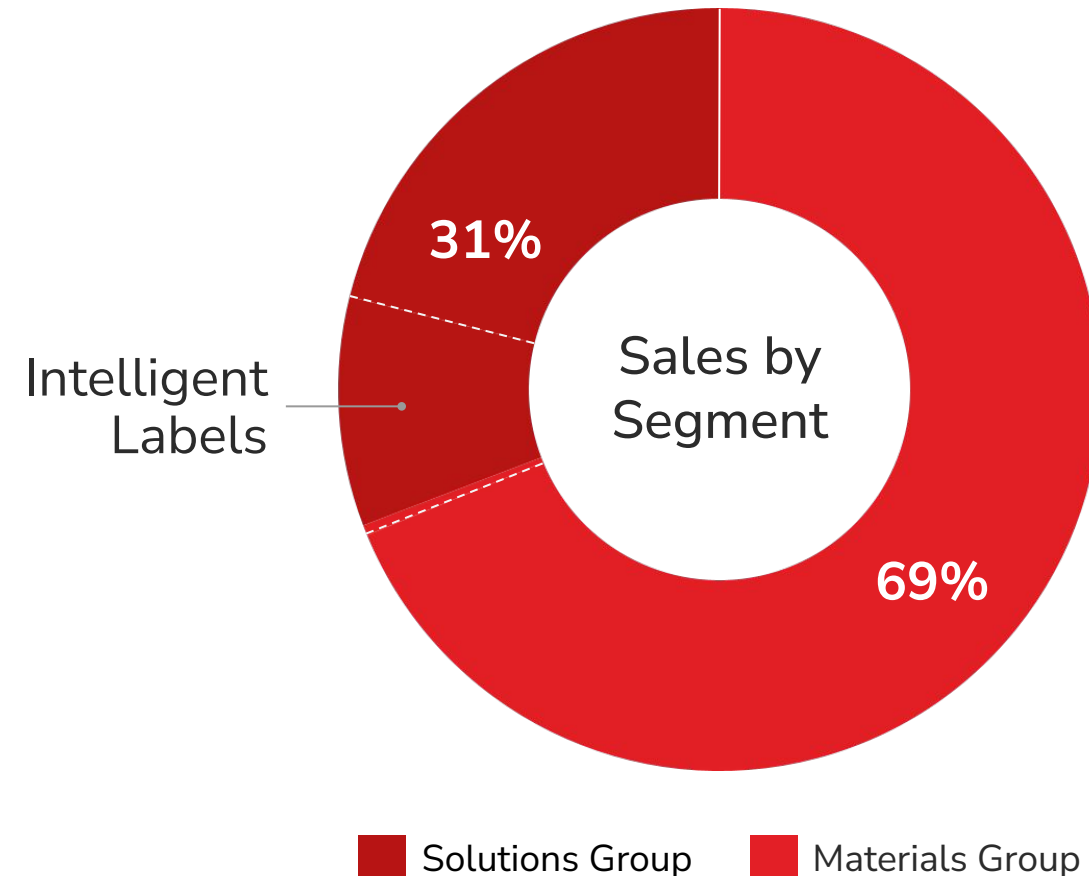
President & CEO



Avery Dennison at a glance

- Recognized industry leader
- Global materials science and digital identification solutions company
- Provider of a wide range of branding and information solutions that optimize labor and supply chain efficiency, reduce waste, advance sustainability, circularity and transparency, and better connect brands and consumers
- Operations in more than 50 countries with ~35,000 employees

2023 Net Sales
\$8.4 Billion



Creating superior long-term value

- Consistent GDP+ growth with top-quartile returns
- #1 player in primary businesses, leveraging strong competitive advantages
 - Global scale
 - Innovative materials science capabilities and process technology
 - Proven Intelligent Labels platform/capability
 - Operational and commercial excellence
- Large, growing and diverse end markets
- Successfully executing key strategies
- EVA focused, consistently delivering against our long-term objectives while continuing to raise the bar



Our strategies have enabled us to deliver across cycles, while expanding our opportunity for future growth

2014 - 2019

Achieved strong results in both businesses, first Materials then Solutions

2014 High-value Categories: 25%

2014 Adj. EBITDA: 11.3%

2020 - 2024

Delivered through dynamic environment, while improving portfolio

2024 High-value Categories: ~44%

2024 Adj. EBITDA: ~16.5%

2024 EVA ~4x vs. 2014

2025+

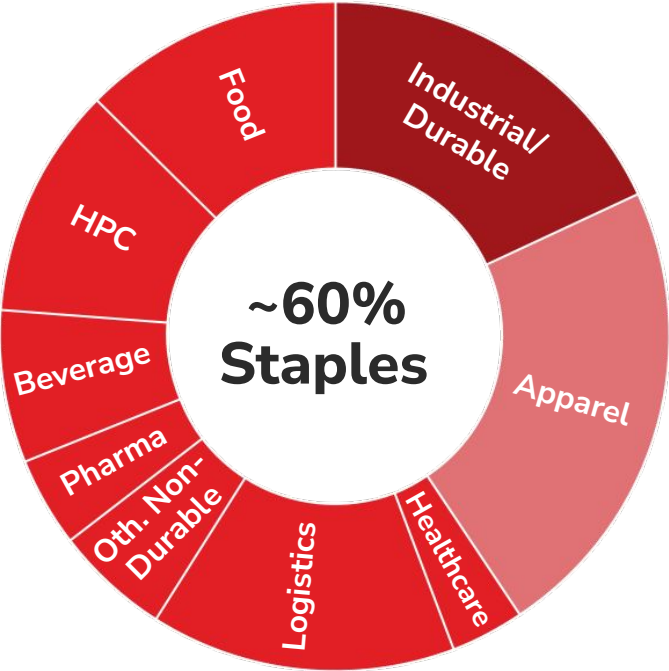
Further leverage our competitive advantages and enterprise Intelligent Labels capabilities

Expand addressable market and unlock new growth and value

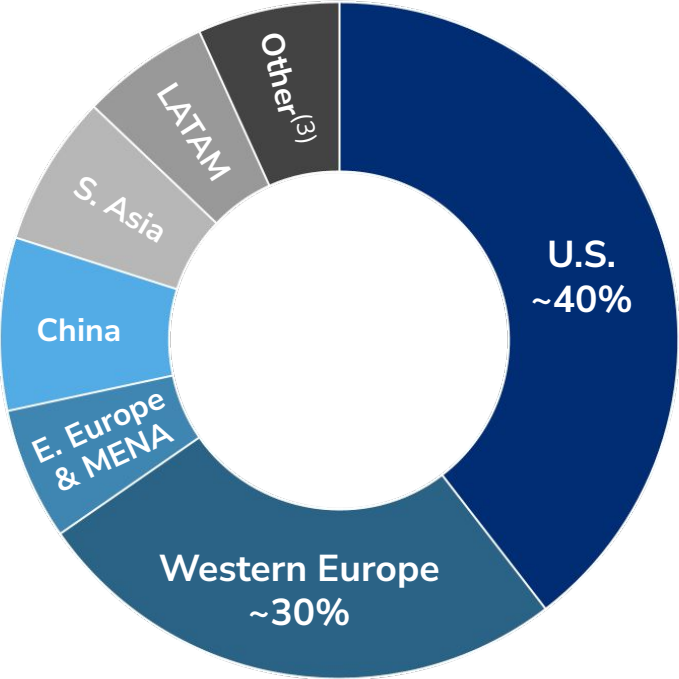
Continue to strengthen portfolio

Broad exposure to diverse markets, with increasing portfolio strength

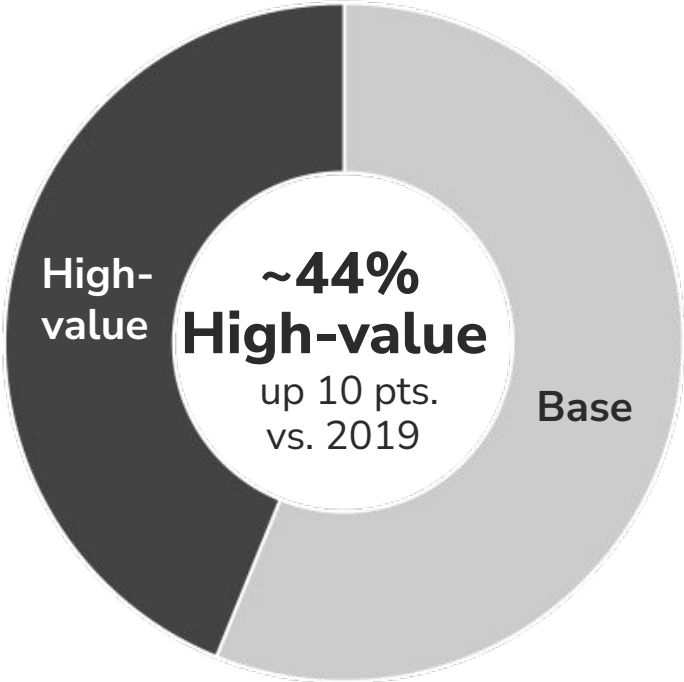
Sales by End Market⁽¹⁾



Sales by Geographic End Market⁽¹⁾



Sales by Category⁽²⁾



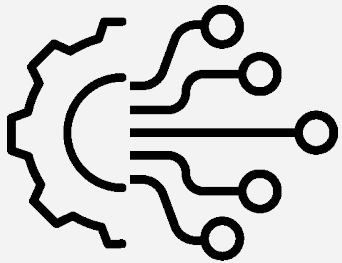
(1) Based on FY23 sales

(2) Based on 1H24 sales

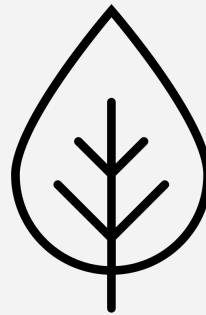
(3) Includes Australia, Canada, Japan, New Zealand, and South Africa

**Key megatrends create significant opportunity for value creation;
well-positioned to deliver given our portfolio mix and competitive advantages**

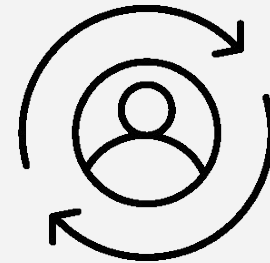
Digitization



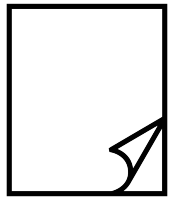
Sustainability



Personalization



For industries to address complex challenges, there is an increasing likelihood that every physical item will need a digital identity and life



Label

+



Sensor

=



▲ Increased
Visibility



▲ Increased
**End-to-end
supply chain
efficiency**



▲ Increased
**Consumer
engagement**

We are uniquely positioned to connect physical items with digital identities, leveraging the strengths and advantages of our portfolio

Materials/Physical

Intersection of
Physical and Digital

Digital



Leveraging the strength of our portfolio to help address key industry challenges



Optimizing labor
and supply chain
efficiency



Reducing waste



Advancing sustainability,
circularity and
transparency



Helping brands and
consumers better connect

Our strategies will continue to deliver GDP+ growth and top quartile returns

- 1 Drive outsized growth in high-value categories
- 2 Grow profitably in our base businesses
- 3 Lead at the intersection of the physical and digital
- 4 Effectively allocate capital and relentlessly focus on productivity
- 5 Lead in an environmentally and socially responsible manner

Together, our businesses create a unique opportunity for significant value creation

Materials Group

- Industry leader
- Stable and diverse end markets with GDP+ growth
- Balance of growth, margin and capital efficiency drives strong returns, EVA and cash flow



Intelligent Labels

- Industry leader
- Significant growth; large TAM with low penetration
- Uniquely positioned, leveraging advantages of Materials and Solutions
- Multi-decade growth opportunity with strong margins

Solutions Group

- Industry leader
- Relevant data management and digital capabilities, with end user access
- Solid growth and margins with upside as portfolio continues to shift toward high-value categories

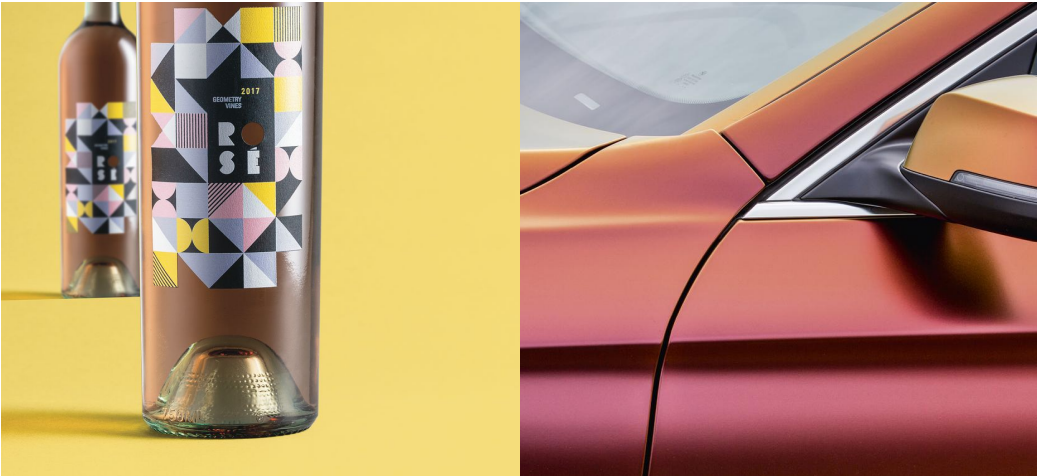
Materials Group

Ryan Yost

President, Materials Group



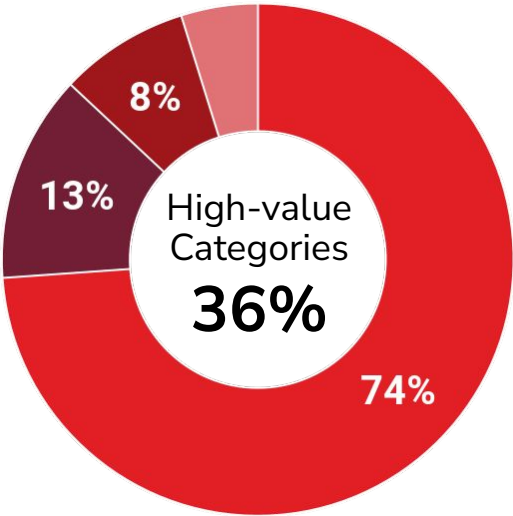
Materials Group



2023 Financial Snapshot

Net Sales	\$5.8 bil.
Sales Change Ex. Currency 5-YR CAGR	2.5%
Adj. EBITDA Margin	15.8%

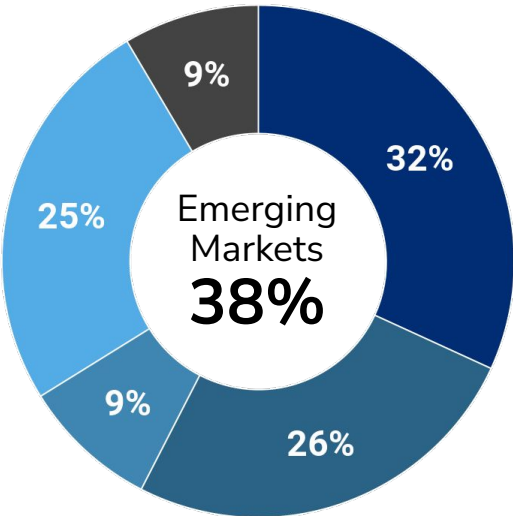
Product Category



2023 Sales by Product

- Label Materials
- Graphics & Reflectives
- Performance Tapes & Medical
- Other

Est. End Market



2023 Sales by Geography

- U.S. & Canada
- Western Europe
- E. Europe & MENA
- Asia Pacific
- Latin America

Materials Group delivers growth and significant returns

Leader in growing self-adhesive label materials industry
(~2.5X next largest competitor)

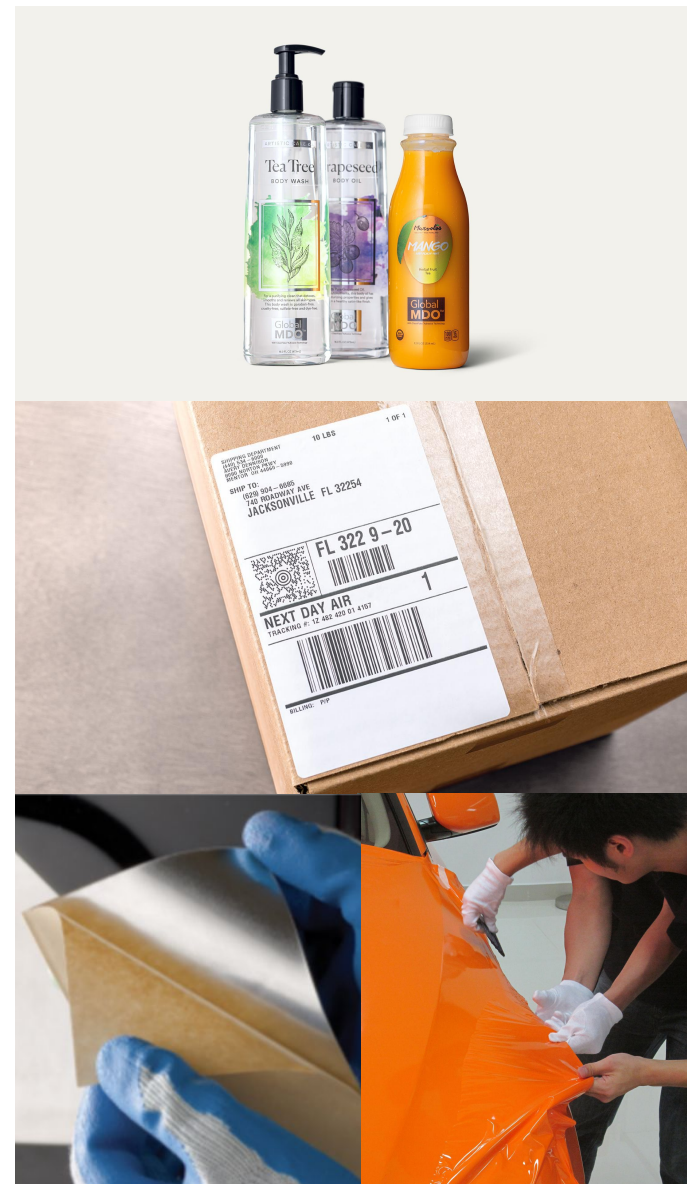
Clear and sustainable competitive advantages

- Global scale with 10,000+ converting partners
- Materials science, including vertical integration in adhesives, and process technology capabilities
- Industry-leading innovations enabling sustainability and functionality

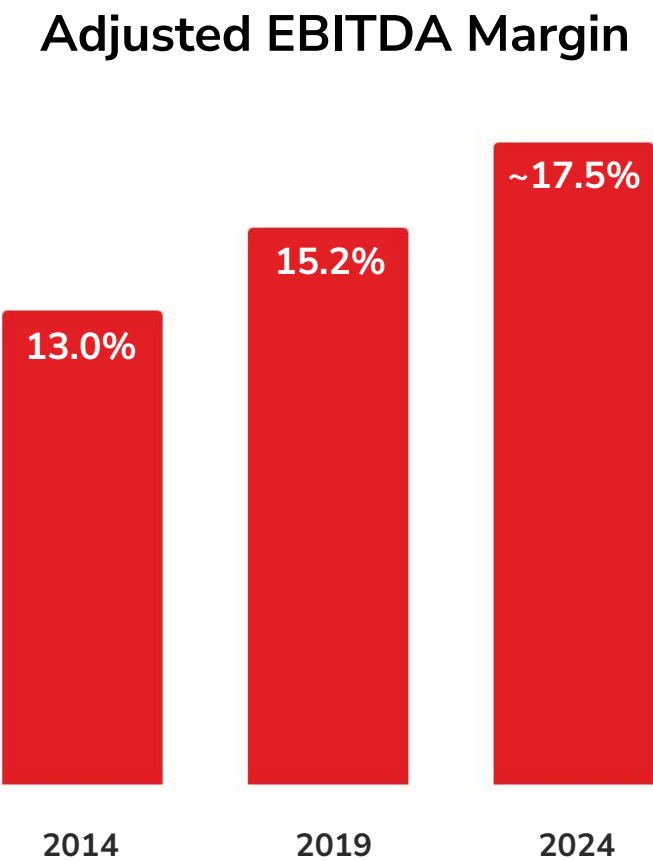
Strong growth catalysts driving GDP+ growth

- Premiumization of packaging
- E-commerce and supply chain transparency
- Strong presence in emerging markets
- Digitization of packaging (Intelligent Labels)

Disciplined approach to profitable growth in base business and relentless focus on productivity and capital efficiency



Strong sales growth and margin expansion over cycles



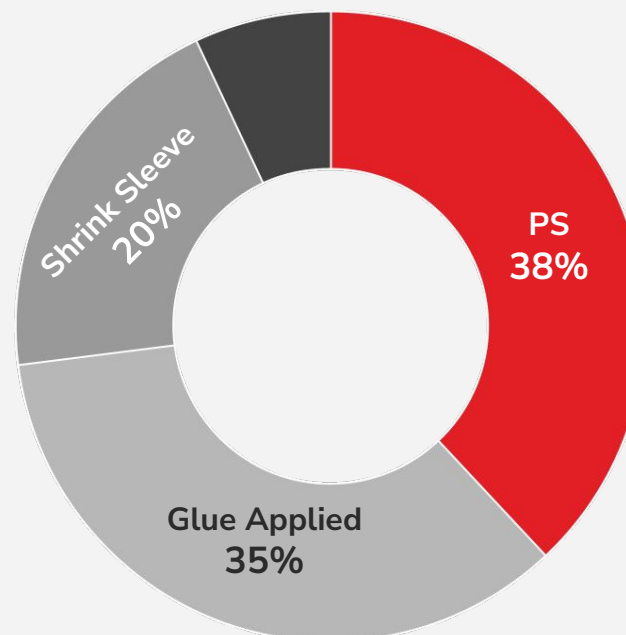
(1) Source: Global S&P Market Intelligence

Pressure-sensitive labeling (PSL) offers clear advantages for packaging decoration and serves attractive, resilient and diverse markets

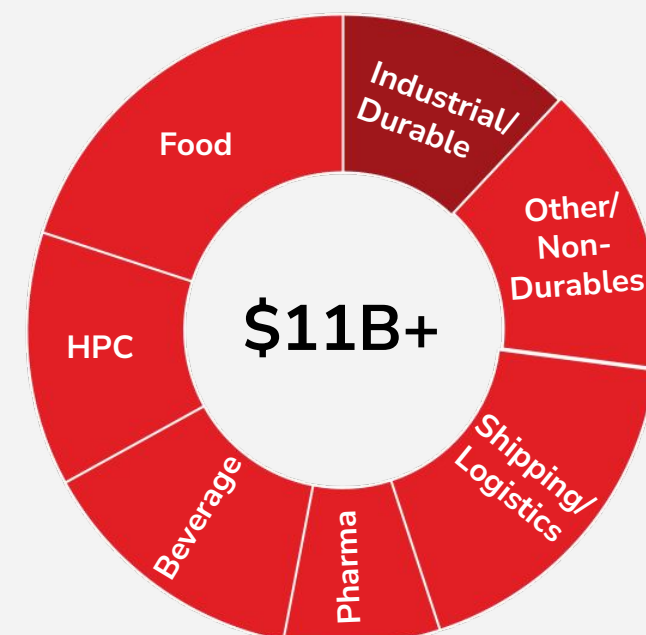


- Provides premium design options
- Applies to large range of packaging types
- Allows for late stage customization
- Wide range of labeling speeds and batch sizes
- Favorable total applied cost
- Low capital expenditures for end customer

Label Industry
by Technology⁽¹⁾



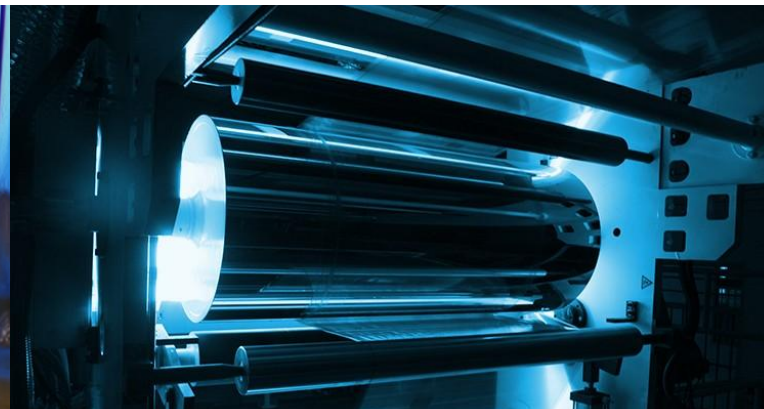
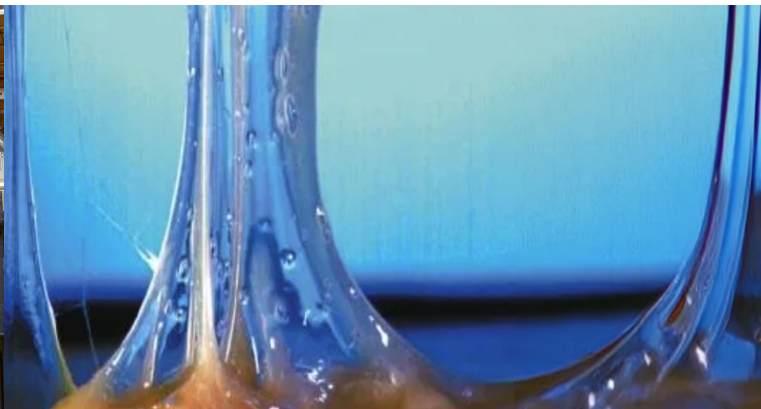
Pressure-sensitive
Label Industry⁽¹⁾



Staples ~90%

(1) Sources: AWA and internal analysis

Industry-leading materials science, process technology and operational excellence



Operational Excellence

- Global scale advantage
- Industry-leading quality and service
- Enterprise Lean Sigma (ELS) and data-driven process optimization
- World-class safety

Materials Science

- Vertically integrated in adhesives and topcoats (polymer chemistry, synthesis and formulation)
- Predictive AI-driven modeling
- State-of-the art testing, prototyping and scale-up

Process Technology

- Proprietary process technology
- Process simulation capabilities that leverage AI
- Internal design & engineering of proprietary production process

Market-driven innovation developing a range of differentiated materials



Sustainable Materials

- Labels enabling circularity
- IP protected solvent-free adhesives
- PVC-free graphics



Functional Materials

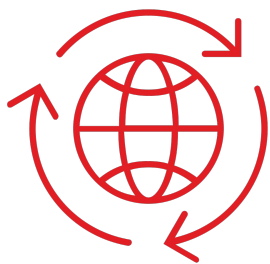
- Tapes enabling thermal/electrical insulation
- Vibration dampening tapes
- Highly durable films



Decoration/Premium Look

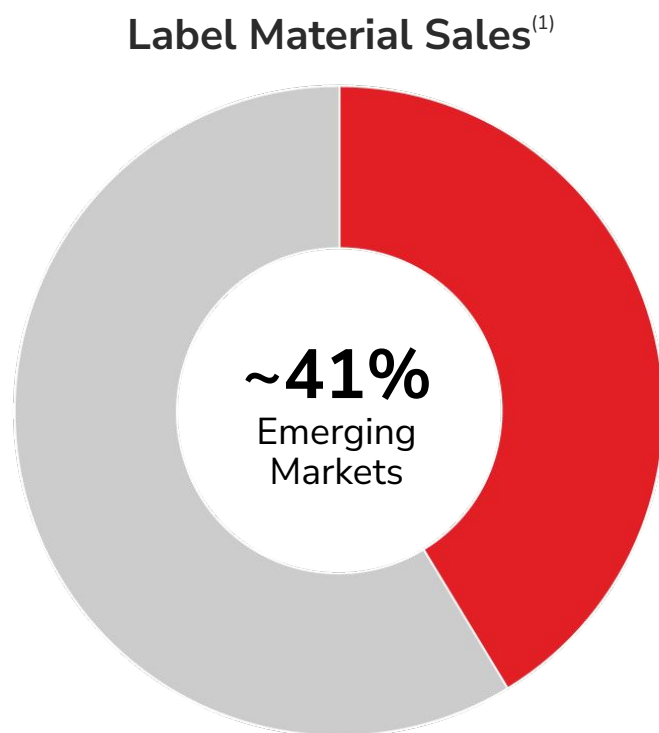
- Clear films for no-label look
- Wine and spirits facestocks
- Wall decoration
- Car wraps

Leading the industry forward with solutions that advance the circular economy



Industry trends	Our response
Reduce	• Optimized materials construction • RFID-enabled packaging to reduce product waste
Reuse	• Wash-off and multi-cycle labels • RFID-enabled packaging to support return/refill
Recycle	• AD CleanFlake adhesive technology (IP protected) is creating significant value for CPGs as it becomes the primary adhesive platform for packaging • Broadest range of recycled content materials (r-PET, r-PE, r-PP)
Responsible sourcing	• Bio-sourced materials • FSC-certified papers

Low PSL penetration in emerging markets presents opportunity for outsized growth



PSL usage (SQM) per capita

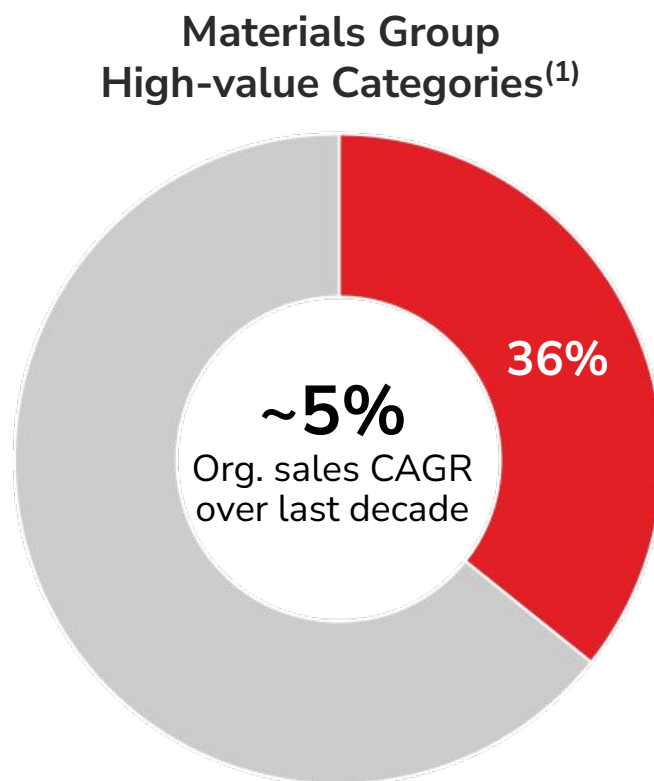


Strong growth in emerging markets driven by:

- Higher population growth and rising goods consumption
- Increasing PSL usage per capita (increased labeling requirements and decoration transfer)

(1) Based on FY 2023 sales

Continuing to deliver outsized growth in high-value categories, supported by secular trends



(1) Based on FY 2023 sales

Specialty Labels

- Premiumization in wine, spirits and craft beer
- Aging populations and cold chain logistics (pharma)
- Freshness, multi-use and convenience (reclosure)

Intelligent Labels

- Delivering growth through vast converter network to enable broad supply chain adoption
- Expansion of Intelligent Labels in segments such as general retail, food and logistics

Graphics & Reflective Solutions

- Personalization and premiumization in cars (wraps)
- Infrastructure projects (road signage)

Tapes

- Lightweighting, noise and vibration dampening
- Electrification, incl. functional materials for EVs



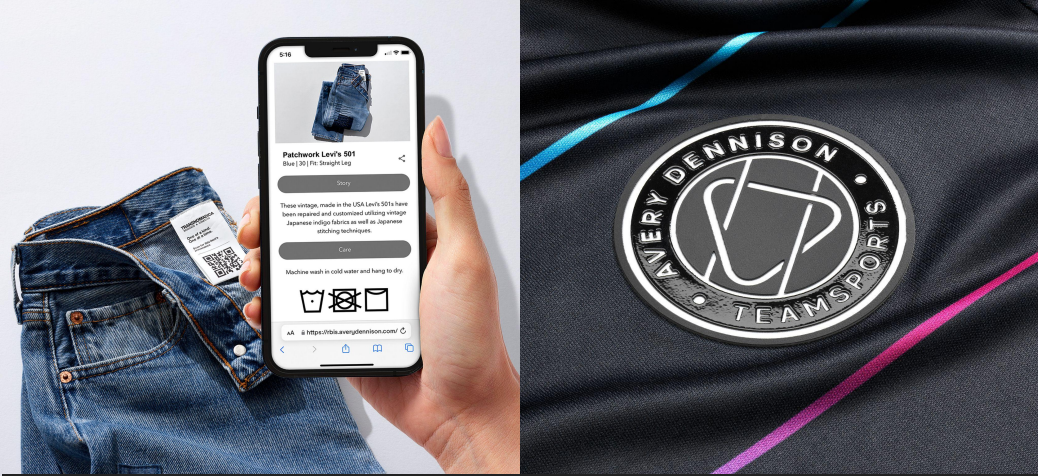
Solutions Group

Francisco Melo

President, Solutions Group



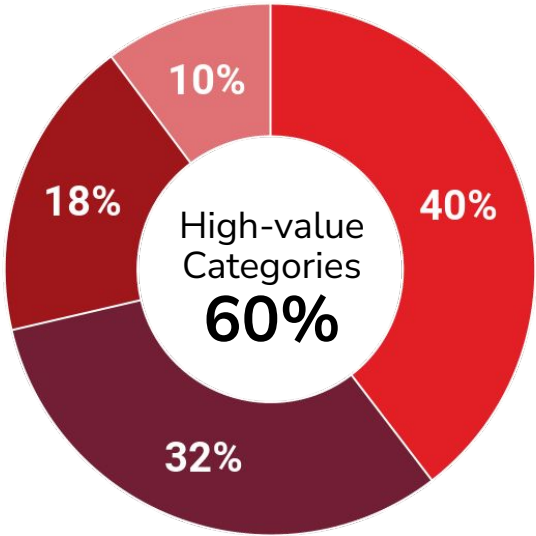
Solutions Group



2023 Financial Snapshot

Net Sales	\$2.6 bil.
Sales Change Ex. Currency 5-YR CAGR	11.0%
Adj. EBITDA Margin	16.6%

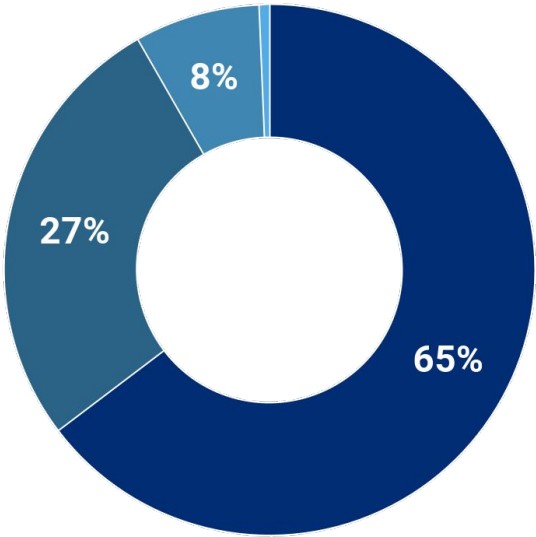
Product Category



2023 Sales by Product

- Base Solutions
- Intelligent Labels
- Vestcom
- Ext. Embellishments (Embelex)

Est. End Market



2023 Sales by Geography

- U.S. & Canada
- Europe
- Asia Pacific
- Latin America

Solutions Group offers significant profitable growth opportunity as we unlock new value for customers

Leader in global branding and identification solutions helping address key industry challenges

Demonstrated competitive advantages

- Global scale and footprint; vertically integrated
- Innovation leader in high-value categories, with 1500+ patents and pending patent applications in Intelligent Labels
- Market-leading capabilities helping drive adoption of digital identification technology in new segments

High-value categories are catalysts for strong growth

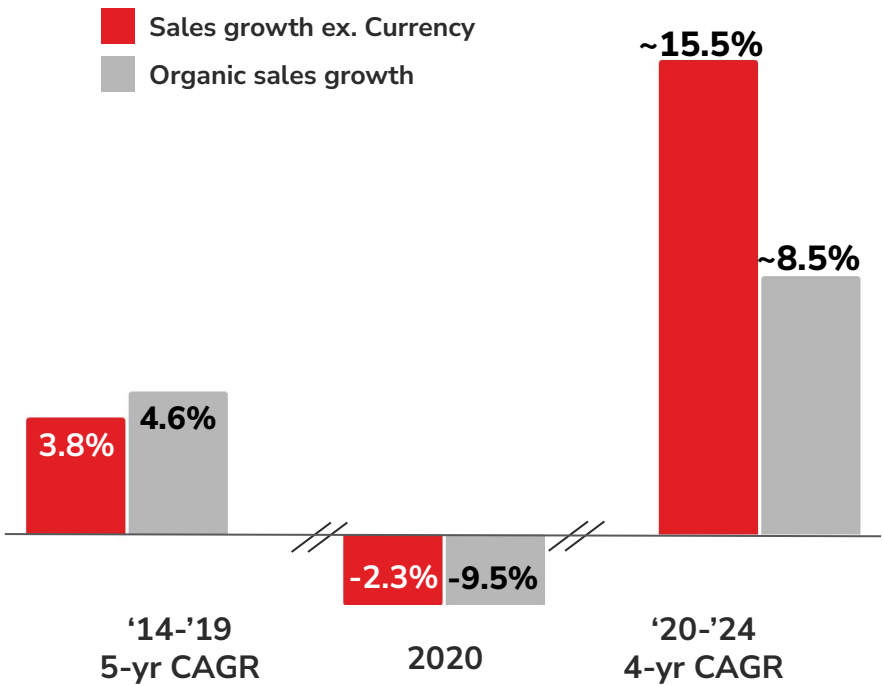
- Expanding opportunity in Intelligent Labels (new segments and use cases)
- Leading Embelex platform helping brands and consumers better connect
- Strong platform in Vestcom through proprietary in-store productivity and media solutions

Disciplined approach to profitable growth in the base business; provides key access for high-value categories growth

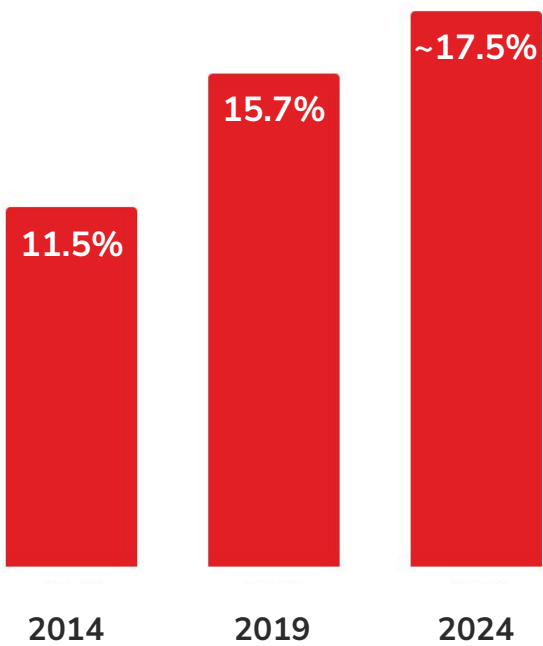


Delivering significant growth and expanding margins while continuing to invest for future growth

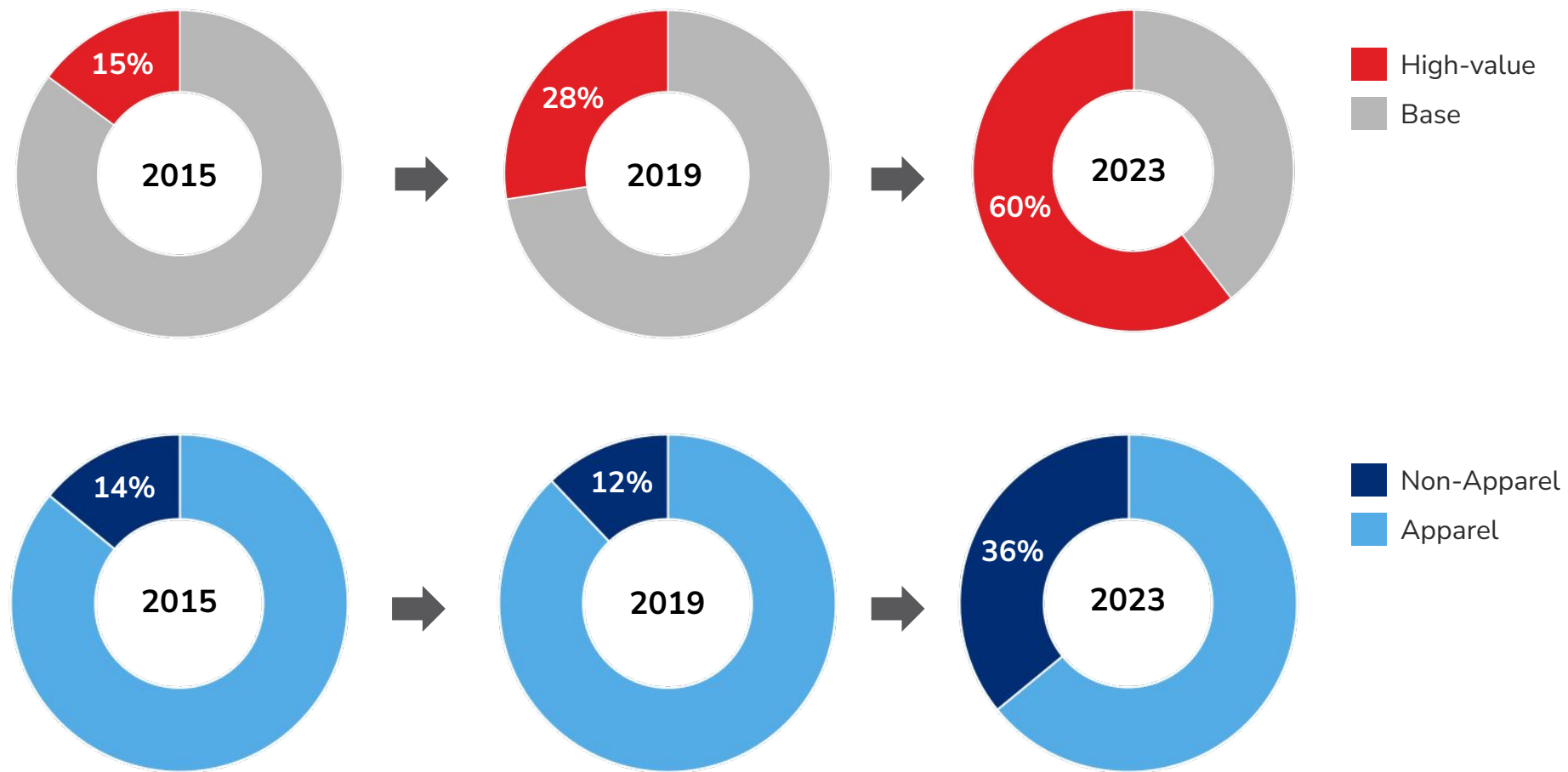
Sales Growth



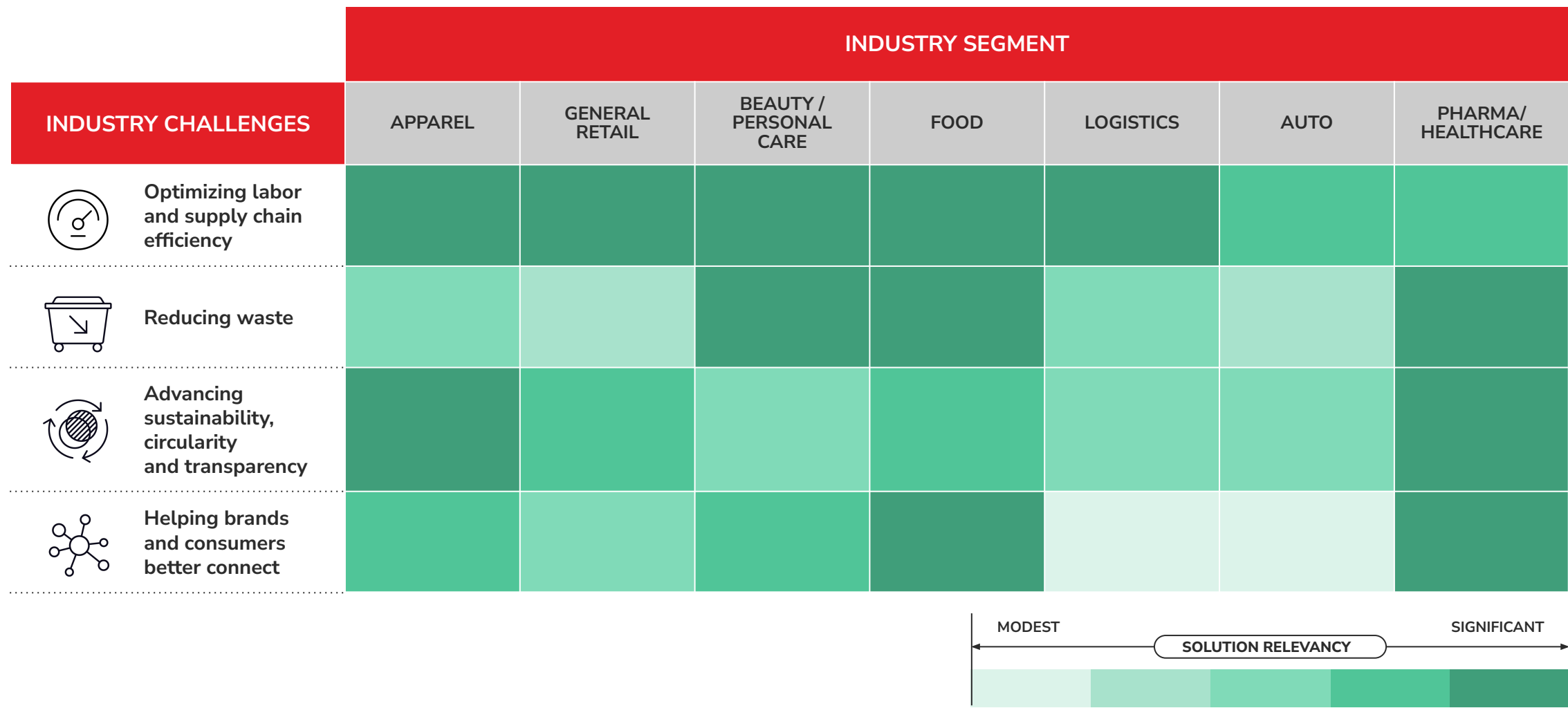
Adjusted EBITDA Margin



Shifting Solutions towards high-value categories and more diverse end markets



Our solutions help address key industry challenges and deliver strong returns for our customers



Reducing waste



Our solutions play an integral role in improving systemic visibility throughout the supply chain, creating opportunity to reduce waste and overproduction across multiple industries.

Optimizing labor and supply chain efficiency – our patented innovative solutions are enabling use case expansion and creating value for our customers



AD TexTrace™

Our solutions help automate manual tasks to drive productivity and free up supply chain and retail staff to focus on activities that add value to end consumers.



This [RFID] is a gamechanger in our industry. We are first to market, we are utilizing this technology to enhance our customer experience, while at the same time having some operational benefits that we can take advantage of as a company.

Darryl Forbes
Operations Technology, UPS

We are rolling out RFID in categories, product types and departments that simply have not been done anywhere else in the world, we rely on partners like Avery Dennison who help us push those boundaries, innovate, come up with new tag designs, new solutions, that are innovative and are simple to use, either to us as an end user or our suppliers

Bob Hoheisal
Strategy, Walmart

RFID is the leading technology for enabling digital identities on physical items



Fastest, most accurate, automated data capture mechanism

up to
1000 items/sec



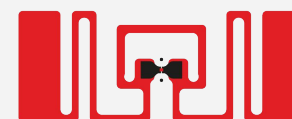
No line of sight requirement; most efficient end-to-end tracking of item throughout supply chain

30 ft. read-range



Connecting the physical and digital

Unique item-level serialization for identification and authentication



Sustainable and no maintenance

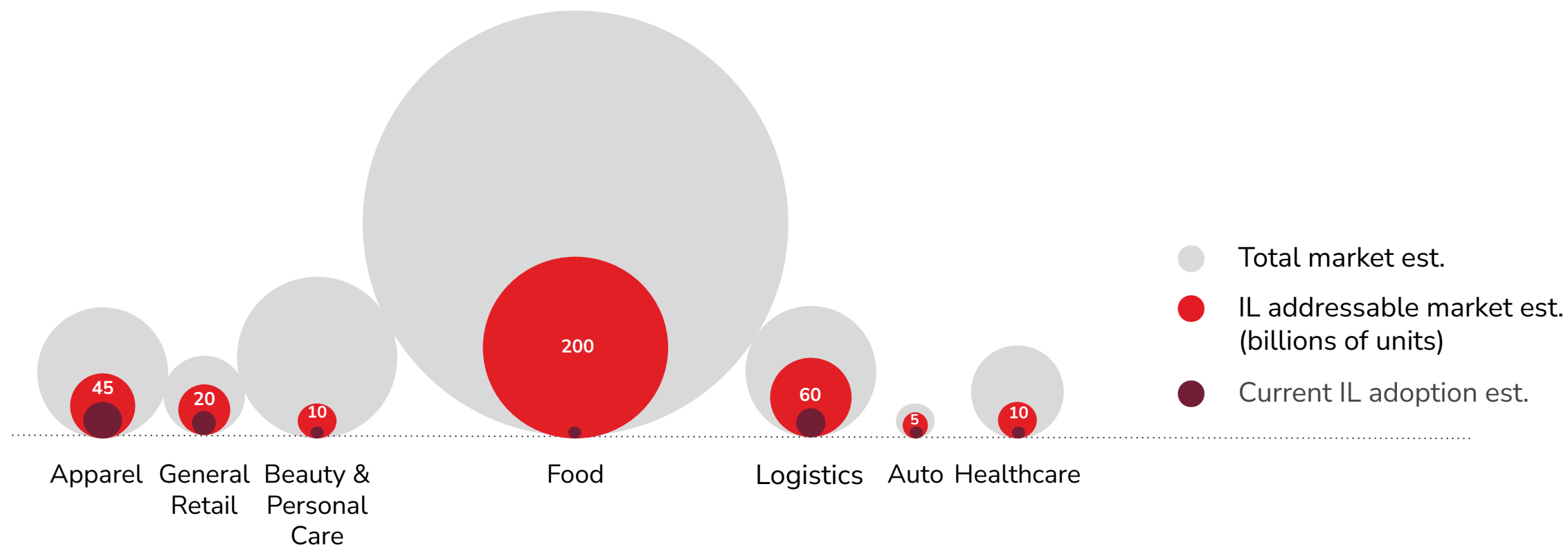
Battery-free passive tags with no impact on paper recycling streams



Low cost and scalable

~200+ billion items have been tagged

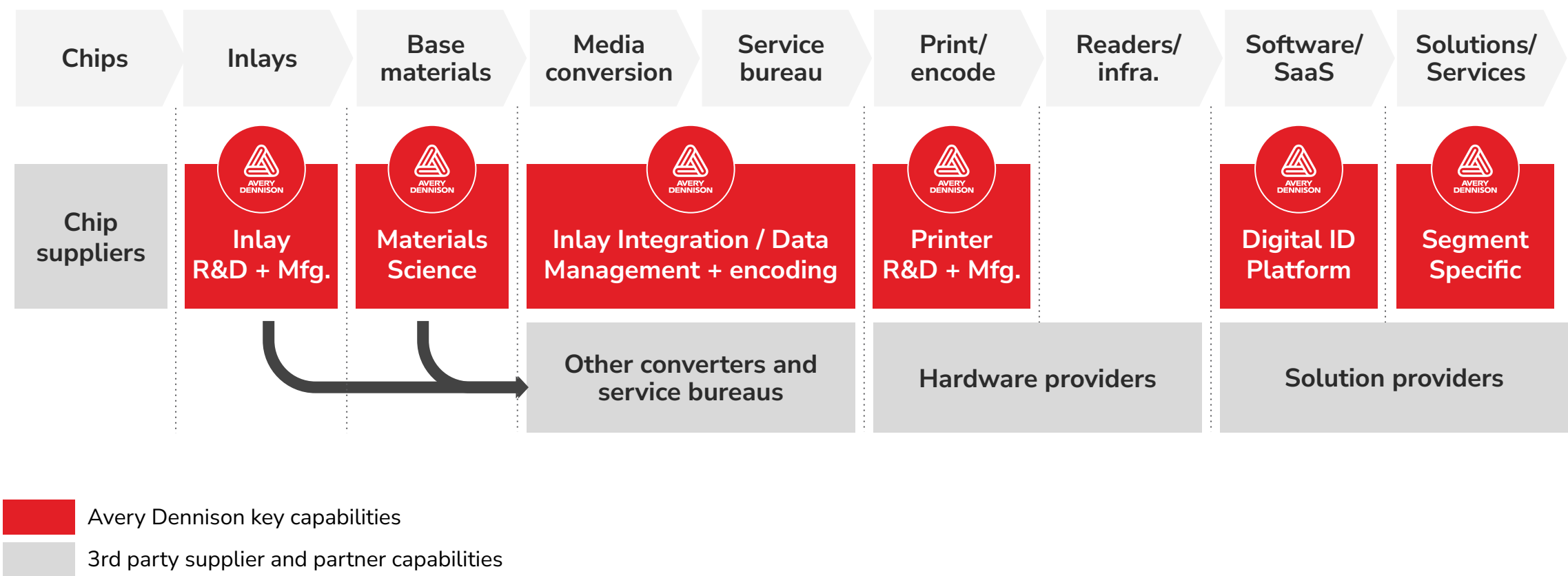
Unlocking large, untapped and attractive markets with Intelligent Labels



Significant market opportunity; 350+ bil. unit opportunity across retail and industrial segments

~40% industry penetration in apparel; low penetration with significant opportunity in other segments

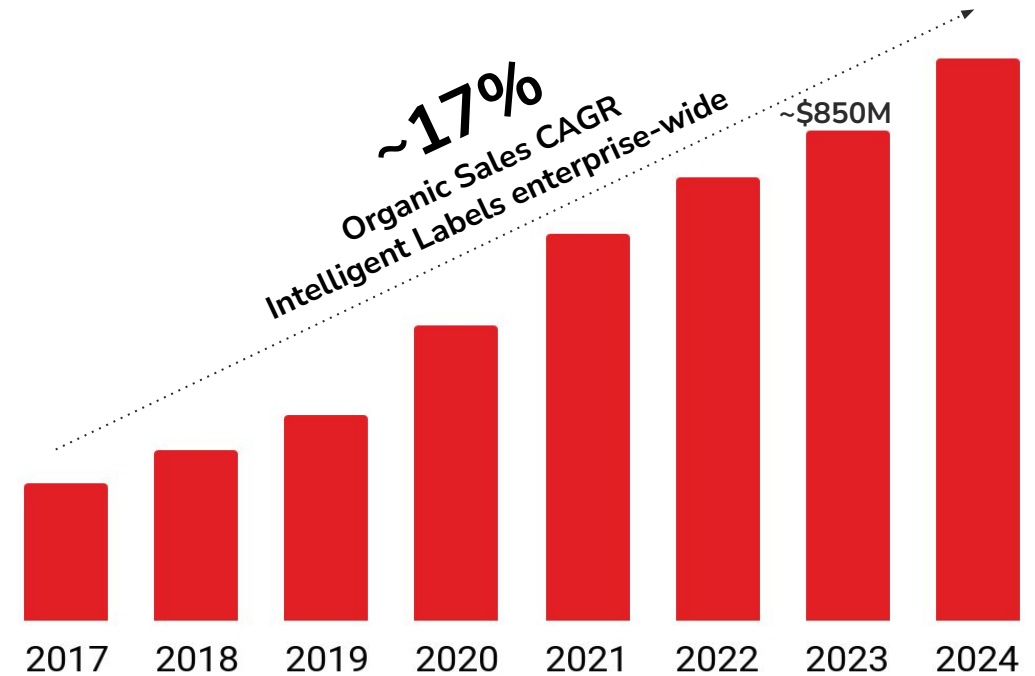
Our vertical integration across the RFID technology ecosystem helps us drive adoption and create value



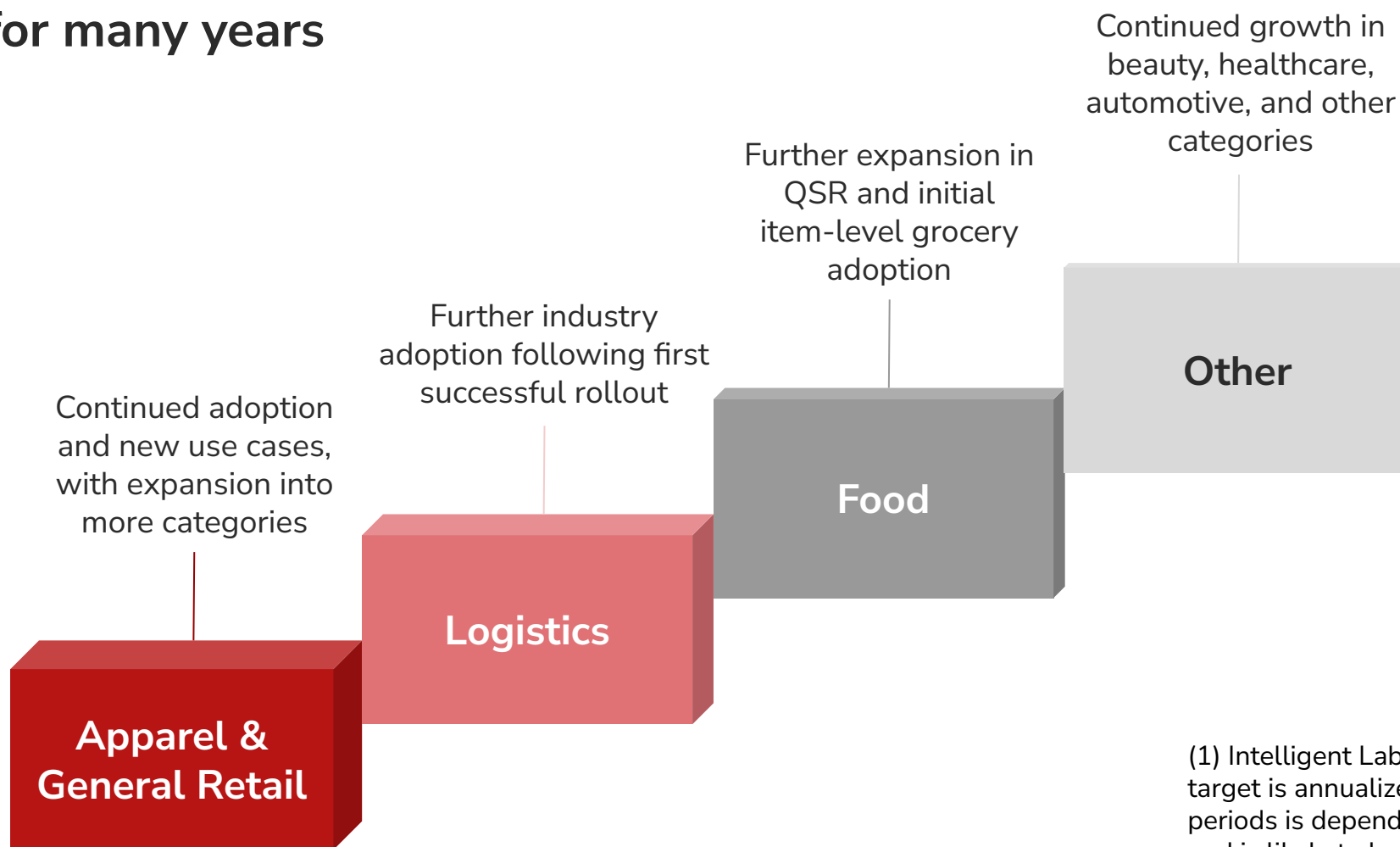
Our leading position in Intelligent Labels is delivering significant growth

Our Competitive Advantages

- **Industry-leading innovation**
 - Broad product and IP portfolio
 - Experienced team
 - State-of-the-art digital cloud platform and relevant data management capabilities
- **Significant scale**
 - Global footprint and deployment ability
 - Proprietary high-speed manufacturing processes
 - Vertically integrated
- **Go-to-market approach**
 - Broad direct and channel access
 - Proven adoption process
 - Segment expertise



We expect to continue delivering significant sales growth in Intelligent Labels for many years



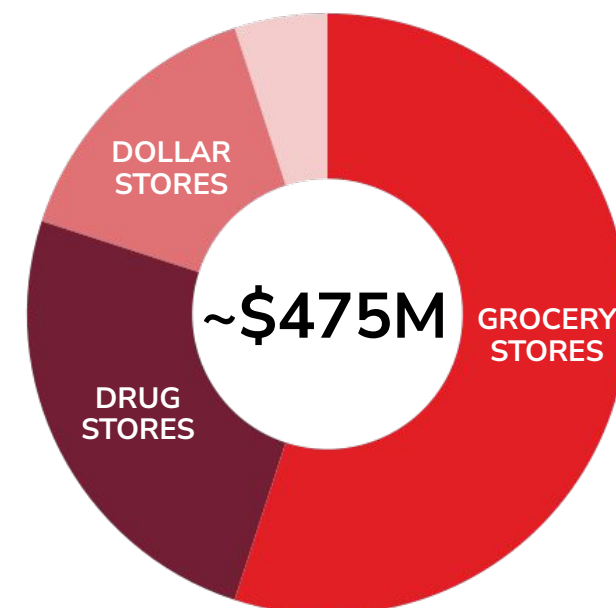
Targeting⁽¹⁾
~15%+
Organic Sales Growth

(1) Intelligent Labels enterprise-wide long-term growth target is annualized over a horizon; growth in specific time periods is dependent on the timing of pipeline conversion and is likely to be uneven.

Vestcom provides market-leading productivity and media solutions for the retail shelf-edge, with strong data management capabilities

- Strong growth and margins
- Delivering strong ROI for customers
- Proprietary productivity solutions enable efficient pricing and planogram changes
- Uniquely positioned to win with storeLink™ platform
- Consumer engagement solutions enable sales lift through promotions and branding
- Strong data management capabilities that streamline processing price updates

Sales by End Market



Data Management Capabilities

Data Integration



Billions of updates per month

Data Processing



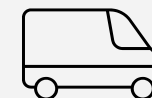
1+ million client files processed per month

Media/Label Production



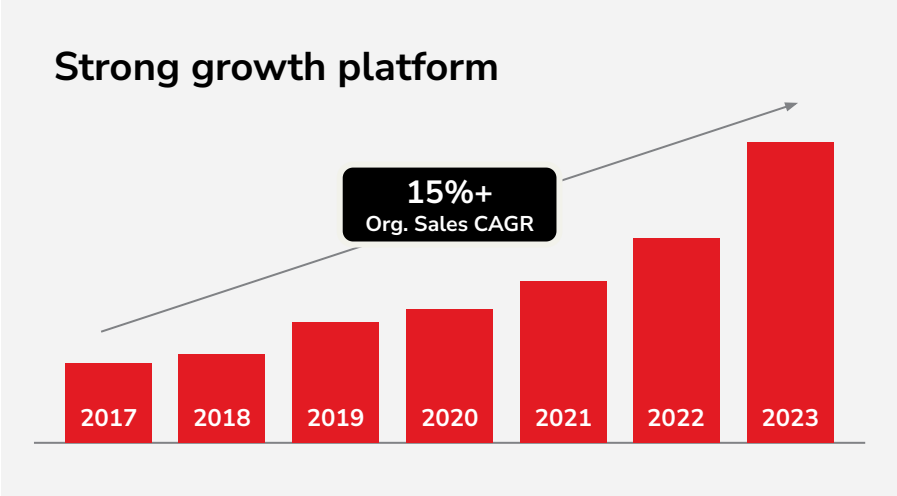
Thousands of labels/store/week

Shipping & Logistics



<24 hour turnaround

Embelex: helping brands and consumers better connect



- Leading growth platform, ~\$300M in revenue with large addressable market and strong industry growth driven by global sports industry
- Helping brands improve decoration, personalization and customization through innovation, including in-venue and online retail experience
- Driving strategic partnerships across global brands, teams, leagues and arena operators



Customization and Personalization



Elevating Brand Identity



Consumer Experience



Competitive Advantages:

- Global scale**
- Value Creation Approach**
- Sustainability**
- Product Portfolio Breadth**

Financial Review

Greg Lovins

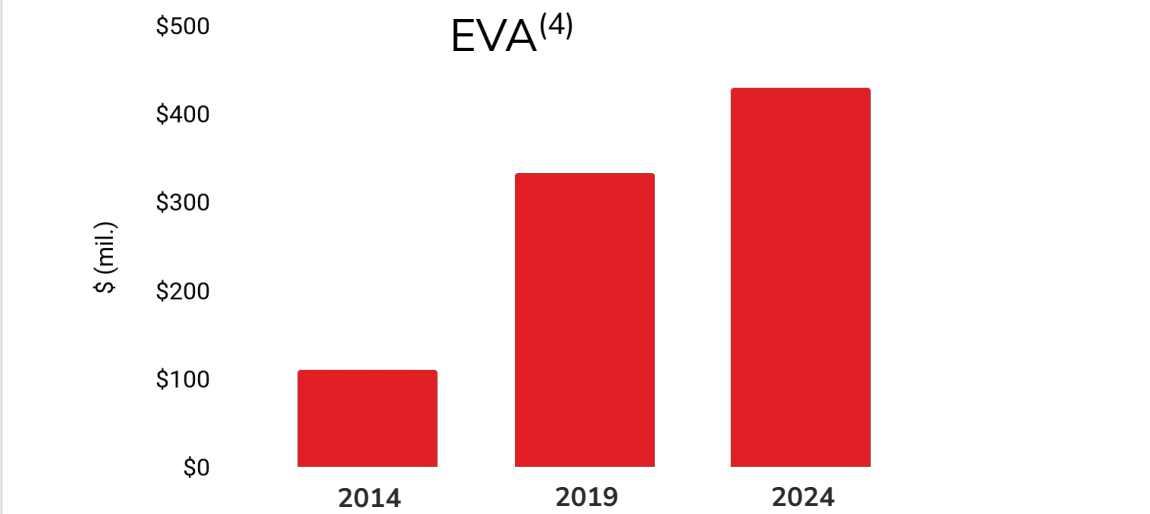
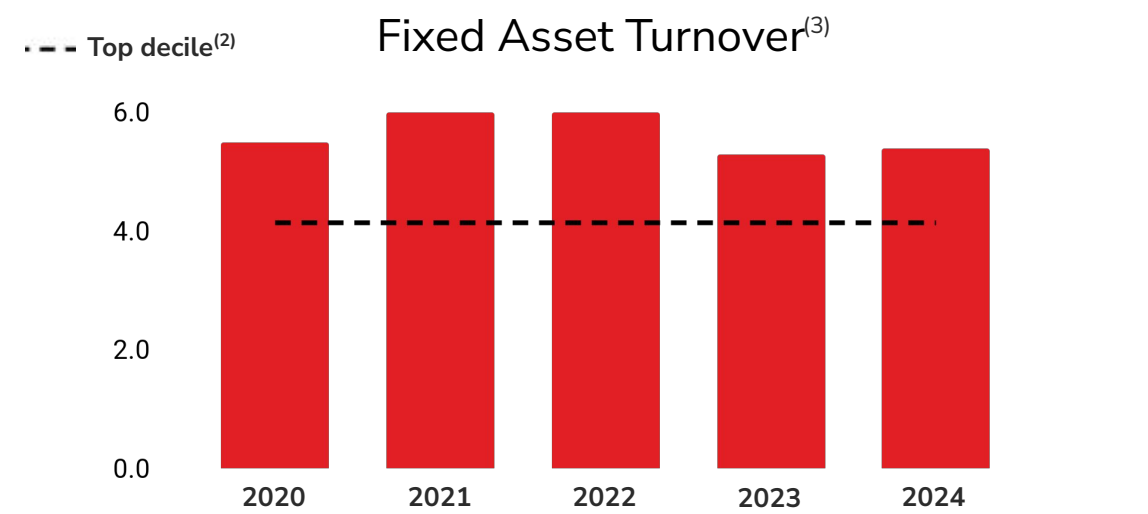
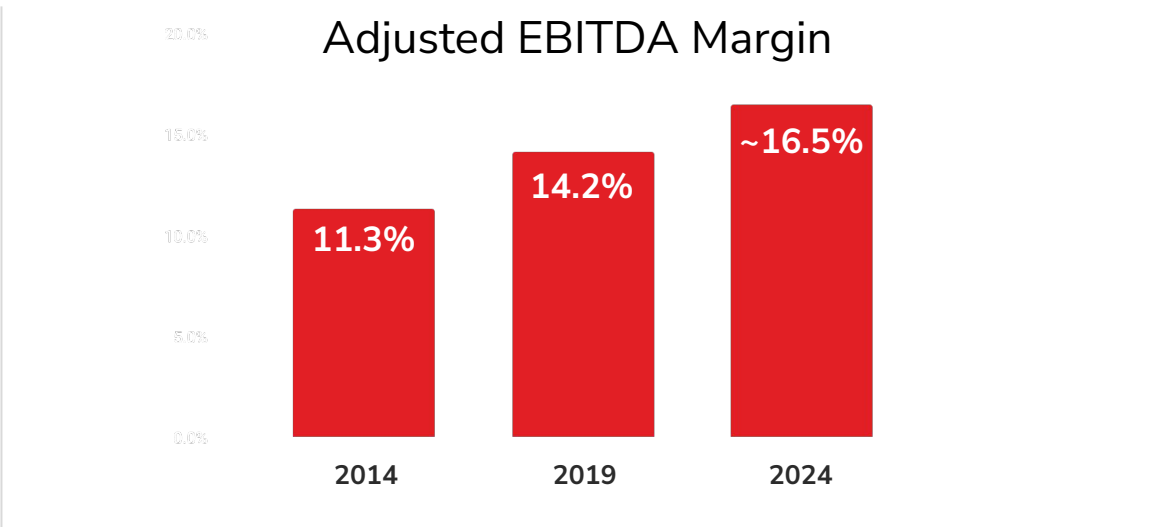
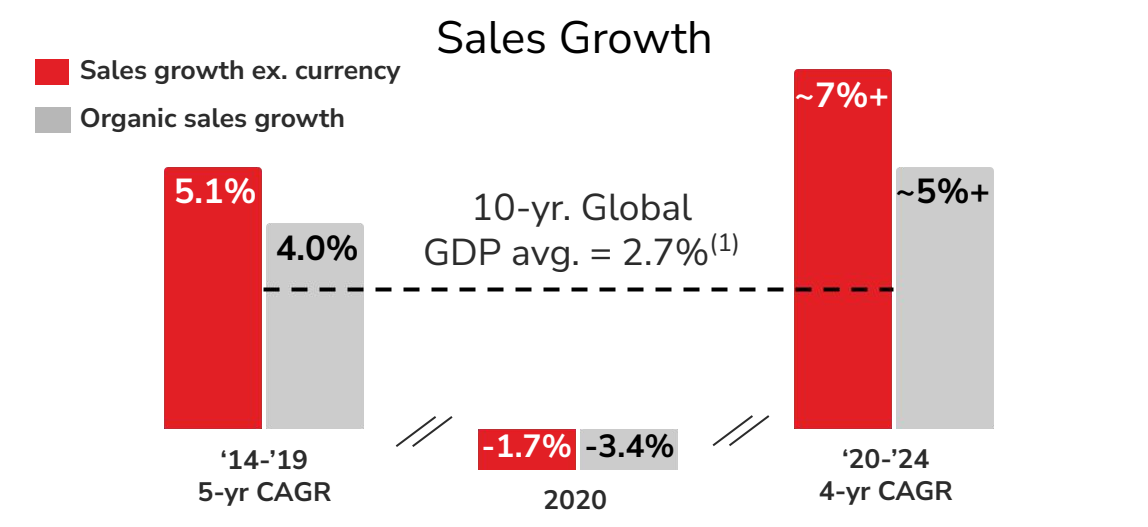
SVP and CFO



We have been consistently delivering against our long-term targets

Long-term Target Cycle	
2012-2015	
2014-2018	
2017-2021	
2020-2025	Largely on track

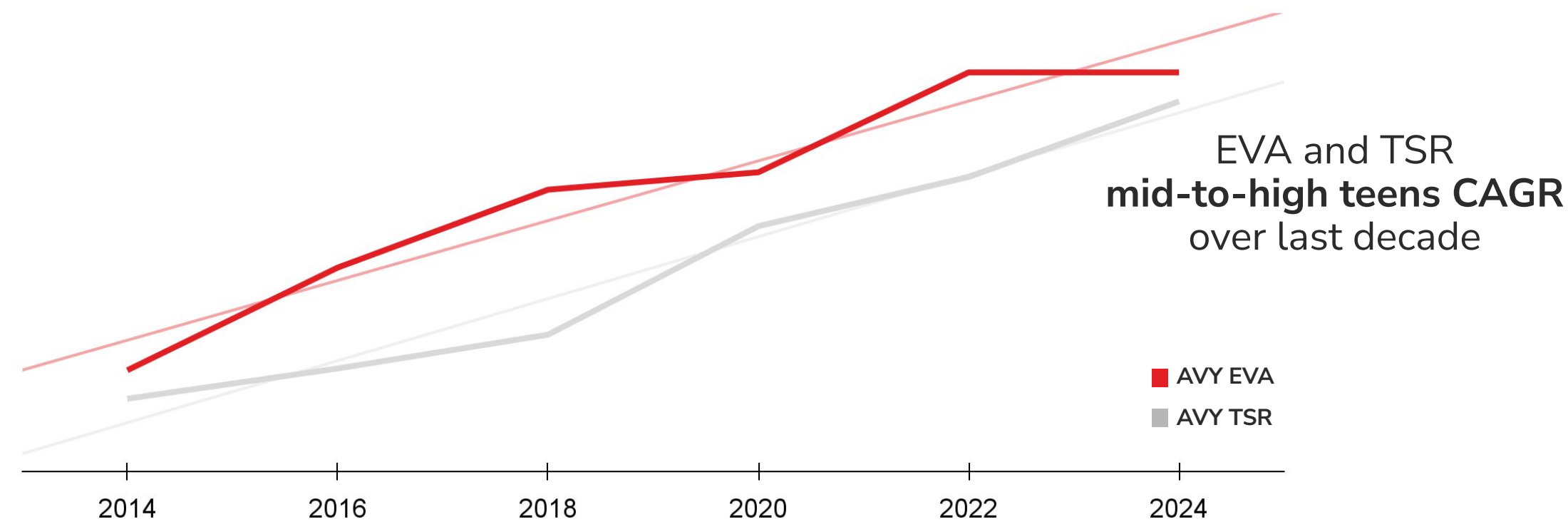
Our balanced strategy is creating value for shareholders



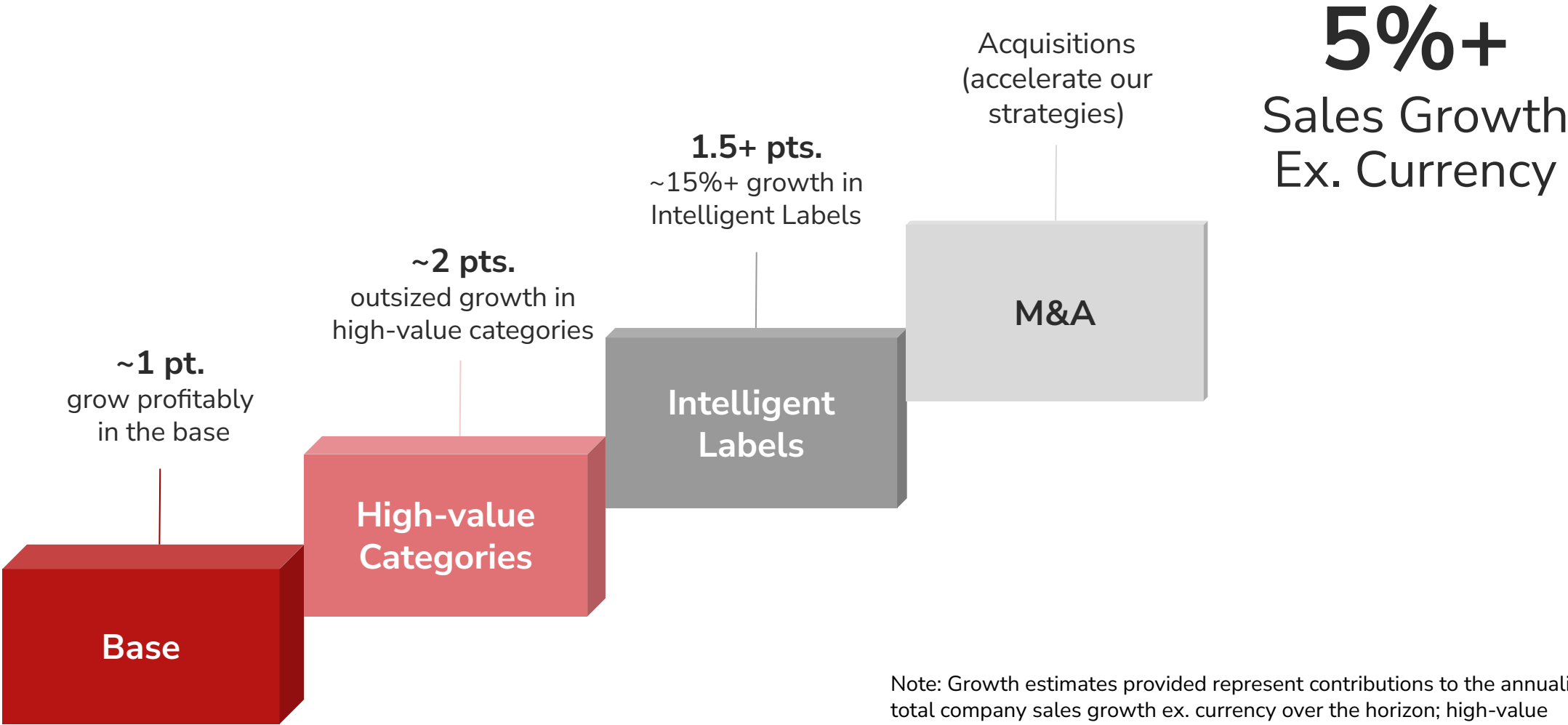
September 18, 2024 Avery Dennison 2024 Investor Day
(1) IHS; (2) compared to the peer group found on page 75 of our 2024 Proxy Statement;
(3) Annual net sales divided by 2-point average consolidated net PP&E

(4) Economic Value Add (EVA) is calculated by deducting the economic cost associated with the use of capital from after-tax operating profit.

Our algorithm — delivering superior EVA over cycles



Delivering strong top-line growth



Note: Growth estimates provided represent contributions to the annualized total company sales growth ex. currency over the horizon; high-value categories excludes Intelligent Labels, which is represented separately.

Our long-term financial framework — continuing to deliver superior value creation

Long-term financial framework

5%+

Sales Growth Ex.
Currency

17%+

Adj. EBITDA Margin
in 2028

10%

Adj. EPS Growth

Top
Quartile⁽¹⁾
ROTC

Note: Long-term targets are annualized and represent a 5 year horizon
(1) Compared to peer group on page 75 of our 2024 Proxy Statement

Disciplined approach to capital allocation

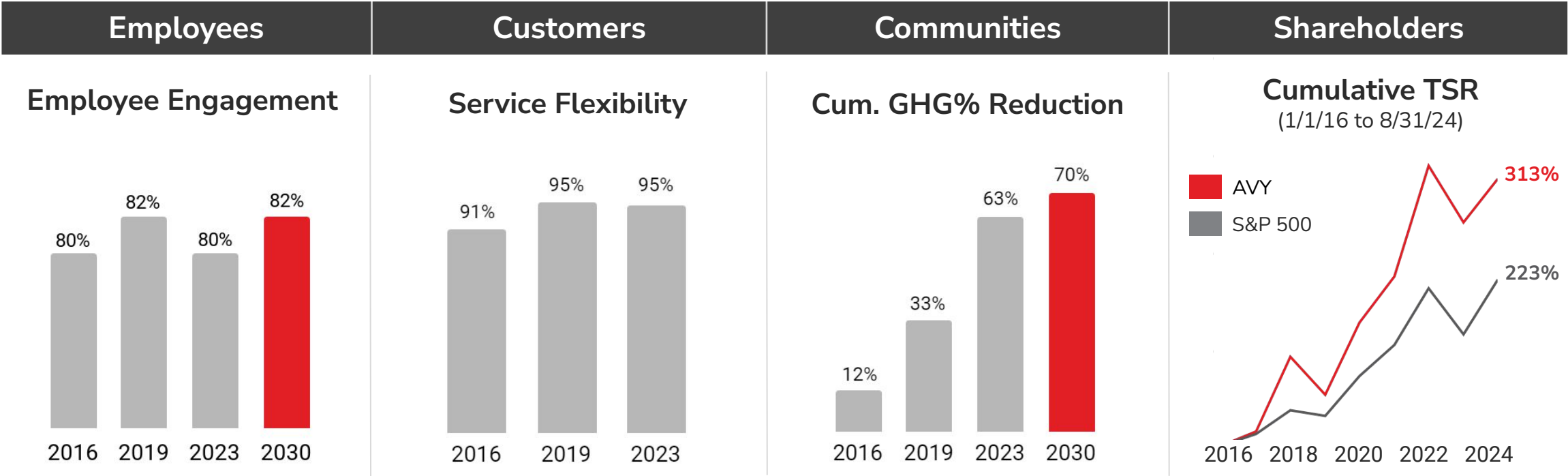
Strong balance sheet with target leverage ratio that provides ample capacity for investment and lowest WACC over cycles

~\$8B capital available over the next 5 years

- Investing organically and through M&A to deliver superior returns across cycles
 - Approx. half our capital available for buyback/M&A; returns and EVA focused
 - Targeting M&A opportunities that can accelerate our strategies and further upgrade our portfolio
- Continuing to grow our dividend
 - ~10% CAGR over last decade
- Committed to maintaining strong credit rating

Long-term Capital Uses (% of total cap. avail.)	
Capex/Restructuring	25-30%
Dividends	~20%
Buyback/M&A	50-55%

Continuing to deliver for all of our key stakeholders



Leading in an environmentally and socially responsible manner, with clear 2030 goals

Deliver innovations that advance the circular economy	Reduce the environmental impact in our operations and supply chain	Make a positive social impact by enhancing the livelihood of our people and communities
---	--	---

RECAP

Creating superior long-term value

- Consistent GDP+ growth with top-quartile returns
- #1 player in primary businesses, leveraging strong competitive advantages
 - Global scale
 - Innovative materials science capabilities and process technology
 - Proven Intelligent Labels platform/capability
 - Operational and commercial excellence
- Large, growing and diverse end markets
- Successfully executing key strategies
- EVA focused, consistently delivering against our long-term objectives while continuing to raise the bar

Q&A Panel

Facilitated by:



John Eble

VP, Finance &
Investor Relations



Deon Stander

President & CEO



Greg Lovins

SVP & CFO



Francisco Melo

President
Solutions Group



Ryan Yost

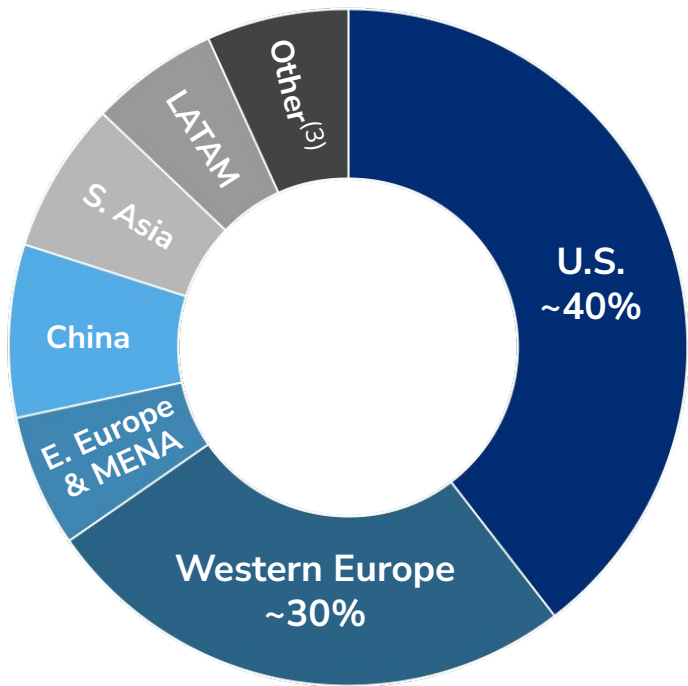
President
Materials Group



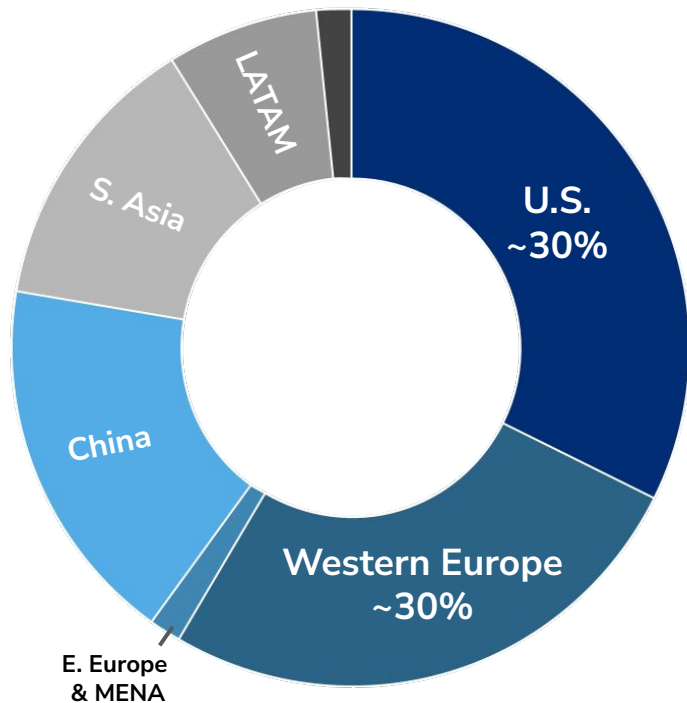
Appendix A

Sales by Geography: Diversified geographic exposure

Sales by End Market⁽¹⁾⁽²⁾



Sales by Manufacturing Location⁽¹⁾



(1) FY23 sales
(2) Estimated sales by end market
(3) Includes Australia, Canada, Japan, New Zealand, and South Africa

Following challenging 2023, making progress toward long-term targets in 2024 as label and apparel markets rebound and IL delivers significant growth

	2020-2025	2020-2024
	TARGETS	GUIDANCE MIDPOINT
Sales Growth Ex. Currency ⁽¹⁾	5%+	~7% 4-YR CAGR
Adjusted EBITDA Growth ⁽¹⁾⁽²⁾	6.5%	~8% 4-YR CAGR ~9% ex-curr.
Adjusted EBITDA Margin	16%+ in 2025	~16.5% in 2024
Adjusted EPS Growth ⁽¹⁾	10%	~7% 4-YR CAGR ~9% ex-curr.
ROTC (Non-GAAP)	18%+	~16.5% in 2024

(1) Percentages for targets reflect five-year compound annual growth rates, with 2020 as the base period. Percentages for guidance midpoint reflect four-year compound annual growth rates, with 2020 as the base period and fiscal 2024 midpoint guidance as the end point.

(2) Although adjusted EBITDA growth was not one of our original financial targets, it was implied by our sales growth ex. currency and adjusted EBITDA margin targets.

Our 2030 Sustainability Goals		Baseline (2015)	2023 Results
Deliver innovations that advance the circular economy	Satisfy the recycling, composting or reuse requirements of all single-use consumer packaging and apparel with our products and solutions.		
	Solutions Group 100% of our core product categories (printed fabric labels, woven labels, paper, interior heat-transfer labels, packaging and RFID) will meet our Sustainable ADvantage Standard.	--	75% (Apparel Solutions Only)
	Materials Group 100% of our standard label products will contain recycled or renewable content. All of our regions will have labels that enable circularity of plastics.	--	61% (Label and Graphics Materials only)
Reduce our environmental impact in our operations and supply chain	Reduce our scope 1 and 2 GHG emissions by 70% from our 2015 baseline. Work with our supply chain to reduce our 2018 baseline scope 3 GHG emissions by 30%, with an ambition of net zero by 2050.	--	63% scope 1 and 2 Prior year scope 3 calculations are available in our most recent CDP Climate Response
	Source 100% of paper fiber from certified sources focused on a deforestation-free future.	45% FSC-certified	96% certified
	Divert 95% of our waste away from landfills, with a minimum of 80% of our waste recycled and the remainder either reused, composted, or sent to energy recovery.	84% landfill-free 55% recycled	89% landfill-free 65% recycled
	Deliver a 15% increase in water efficiency at our sites that are located in high or extremely high risk countries as identified in the World Resources Institute (WRI) Aqueduct Tool.	--	2%
Make a positive social impact by enhancing the livelihood of our people and communities	Foster an engaged team and an inclusive workplace. - Inclusion Index: 85% - Employee Engagement: 82% - Females in manager level or above positions: 40% - Safety: 0.2 Recordable Incident Rate (RIR)	-- 80% 32% 0.31 RIR	76% ¹ 80% ¹ 36% 0.22 RIR
	Support the participation of our employees in Avery Dennison Foundation grants and foster the well-being of the communities in which we and our supply chain operate.	--	Made ADF grants in 72% of countries in which we operate 95% of grants incorporated employee volunteerism
(1) In 2023, we utilized a new partner, process and platform, and more than doubled the questions asked. As such, 2023 reflects a new baseline from which we will measure our progress going forward.			

2024 EPS Guidance

	Previous	Updated
Reported EPS	\$8.60 - \$9.10	\$8.75 - \$8.95
Add Back:		
Est. restructuring costs and other items, including impact of venture investments	~\$0.40	~\$0.55
Adjusted EPS	\$9.00 - \$9.50	\$9.30 - \$9.50

Full-year 2024 contributing factors

- Reported sales growth of 4.5% to 5.5% (previously 3.5% to 5.5%), including ~0.5% benefit from acquisitions
- Organic sales growth of 4.0% to 5.0% (previously 3.0% to 5.0%)
 - Strong volume growth, partially offset by deflation-related price reductions
- Incremental savings of \$50+ mil. from restructuring actions, net (previously \$45+ mil.)
- ~\$10 mil. headwind from currency translation to operating income, assuming recent rates (previously ~\$5 mil. headwind)
- Targeting ~100% adj. FCF conversion; fixed and IT capital spend comparable to PY
- Adj. tax rate of ~26%

Appendix B

Reconciliation of Non-GAAP Financial Measures from GAAP

Use of Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures as defined by SEC rules. We report our financial results in conformity with accounting principles generally accepted in the United States of America, or GAAP, and also communicate with investors using certain non-GAAP financial measures. These non-GAAP financial measures are not in accordance with, nor are they a substitute for or superior to, the comparable GAAP financial measures. These non-GAAP financial measures are intended to supplement the presentation of our financial results prepared in accordance with GAAP. We use these non-GAAP financial measures internally to evaluate trends in our underlying performance, as well as to facilitate comparison with the results of competitors for quarters and year-to-date periods, as applicable. Based on feedback from investors and financial analysts, we believe that the supplemental non-GAAP financial measures we provide are also useful to their assessments of our performance and operating trends, as well as liquidity.

Our non-GAAP financial measures exclude the impact of certain events, activities or strategic decisions. The accounting effects of these events, activities or decisions, which are included in the GAAP financial measures, may make it more difficult to assess our underlying performance in a single period. By excluding the accounting effects, positive or negative, of certain items (e.g., restructuring charges, outcomes of certain legal matters and settlements, certain effects of strategic transactions and related costs, losses from debt extinguishments, gains or losses from curtailment or settlement of pension obligations, gains or losses on sales of certain assets, gains or losses on venture investments, currency adjustments due to highly inflationary economies, and other items), we believe that we are providing meaningful supplemental information that facilitates an understanding of our core operating results and liquidity measures. While some of the items we exclude from GAAP financial measures recur, they tend to be disparate in amount, frequency or timing.

We use the non-GAAP financial measures described below in this presentation.

- **Sales change ex. currency** refers to the increase or decrease in net sales, excluding the estimated impact of foreign currency translation, and, where applicable, an extra week in our fiscal year, the calendar shift resulting from an extra week in the prior fiscal year, currency adjustments for transitional reporting of highly inflationary economies, and the reclassification of sales between segments. The estimated impact of foreign currency translation is calculated on a constant currency basis, with prior-period results translated at current period average exchange rates to exclude the effect of foreign currency fluctuations.
- **Organic sales change** refers to sales change ex. currency, excluding the estimated impact of acquisitions and product line divestitures.

We believe that sales change ex. currency and organic sales change assist investors in evaluating the sales change from the ongoing activities of our businesses and enhance their ability to evaluate our results from period to period.

We believe that the following measures assist investors in understanding our core operating trends and comparing our results with those of our competitors.

- **Adjusted EBITDA** refers to adjusted operating income before depreciation and amortization.
- **Adjusted EBITDA change ex. currency** refers to the change in adjusted EBITDA on a constant currency basis. The estimated impact of foreign currency translation is calculated on a constant currency basis, with prior-period results translated at current period average exchange rates to exclude the effect of currency fluctuations.
- **Adjusted EBITDA margin** refers to adjusted EBITDA as a percentage of net sales.
- **Adjusted operating income** refers to net income adjusted for taxes; other expense (income), net; interest expense; other non-operating expense (income), net; and other items.
- **Adjusted operating margin** refers to adjusted operating income as a percentage of net sales.
- **Adjusted net income per common share, assuming dilution (adjusted EPS)** refers to adjusted net income divided by the weighted average number of common shares outstanding, assuming dilution. Adjusted net income refers to income before taxes, tax-effected at the adjusted tax rate, and adjusted for tax-effected restructuring charges and other items. Adjusted tax rate refers to the projected full-year GAAP tax rate, adjusted to exclude certain unusual or infrequent events that are expected to significantly impact that rate, such as effects of certain discrete tax planning actions, impacts related to enactments of comprehensive tax law changes, and other items.
- **Adjusted EPS change ex. currency** refers to the change in adjusted net income per common share, assuming dilution, on a constant currency basis. The estimated impact of foreign currency translation is calculated on a constant currency basis, with prior-period results translated at current period average exchange rates to exclude the effect of currency fluctuations.
- **Adjusted free cash flow** refers to cash flow provided by operating activities, less payments for property, plant and equipment, software and other deferred charges, plus proceeds from company-owned life insurance policies, plus proceeds from sales of property, plant and equipment, plus (minus) net proceeds from insurance and sales (purchases) of investments, less net cash used for Argentine Blue Chip Swap securities. Where applicable, adjusted free cash flow is also adjusted for certain acquisition-related transaction costs. We believe that adjusted free cash flow assists investors by showing the amount of cash we have available for debt reductions, dividends, share repurchases, and acquisitions.
- **Adjusted free cash flow conversion** refers to adjusted free cash flow divided by net income.
- **Return on total capital (ROTC)** refers to net income excluding interest expense and amortization of intangible assets from acquisitions, net of tax benefit, divided by the average of beginning and ending invested capital. We believe that ROTC assists investors in understanding our ability to generate returns from our capital.

Organic Sales Change – Avery Dennison

Total Company										2014-2019
(\$ in millions)	2015	2016	2017	2018	2019	2020	2021	2022	2023	5-Yr CAGR
Net sales	\$5,966.9	\$6,086.5	\$6,613.8	\$7,159.0	\$7,070.1	\$6,971.5	\$8,408.3	\$9,039.3	\$8,364.3	
Reported net sales change	(5.7%)	2.0%	8.7%	8.2%	(1.2%)	(1.4%)	20.6%	7.5%	(7.5%)	
Foreign currency translation	8.6%	2.6%	(0.5%)	(1.4%)	3.3%	0.9%	(3.4%)	5.6%	0.6%	
Extra week impact	~1.2%					(1.3%)	1.4%			
Sales change ex. currency⁽¹⁾	4.0%	4.6%	8.2%	6.9%	2.0%	(1.7%)	18.6%	13.1%	(6.9%)	5.1%
Acquisitions/Divestitures	0.6%	(0.7%)	(3.9%)	(1.4%)		(1.7%)	(3.1%)	(3.6%)	(0.8%)	
Organic sales change⁽¹⁾	4.6%	3.9%	4.2%	5.5%	2.0%	(3.4%)	15.6%	9.5%	(7.7%)	4.0%

(1) Totals may not sum due to rounding

Organic Sales Change – by Segment

Materials Group

(\$ in millions)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2014-2019 5-Yr CAGR	2018-2023 5-Yr CAGR
Net sales	\$4,523.5	\$4,641.1	\$5,102.6	\$5,545.8	\$5,419.8	\$5,340.6	\$6,206.5	\$6,495.1	\$5,811.3		
Reported net sales change	(6.0%)	2.6%	9.9%	8.7%	(2.3%)	(1.5%)	16.2%	4.6%	(10.5%)		
Reclass. of sales between segments					(0.2%)			0.3%	0.1%		
Foreign currency translation	10.0%	2.8%	(0.8%)	(1.3%)	3.8%	1.0%	(3.6%)	6.0%	0.1%		
Extra week impact	~1.2%					(1.1%)	1.3%				
Sales change ex. currency⁽¹⁾	5.2%	5.4%	9.1%	7.4%	1.4%	(1.6%)	13.9%	11.0%	(10.4%)	5.7%	2.5%
Acquisitions/Divestitures		(1.3%)	(5.2%)	(1.8%)			(1.1%)	0.2%			
Organic sales change⁽¹⁾	5.2%	4.1%	3.9%	5.6%	1.4%	(1.6%)	12.8%	11.2%	(10.4%)	4.0%	2.3%

Solutions Group

(\$ in millions)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2014-2019 5-Yr CAGR	2018-2023 5-Yr CAGR
Net sales	\$1,443.4	\$1,445.4	\$1,511.2	\$1,613.2	\$1,650.3	\$1,630.9	\$2,201.8	\$2,544.2	\$2,553.0		
Reported net sales change	(4.8%)	0.1%	4.6%	6.7%	2.3%	(1.2%)	35.0%	15.6%	0.3%		
Reclass. of sales between segments					0.6%			(0.7%)	(0.2%)		
Foreign currency translation	3.9%	1.8%	0.4%	0.2%	2.2%	0.6%	(2.2%)	4.2%	2.1%		
Extra week impact	~1.2%					(1.7%)	2.1%				
Sales change ex. currency⁽¹⁾	0.3%	1.9%	5.0%	6.9%	5.1%	(2.3%)	34.9%	19.1%	2.2%	3.8%	11.0%
Acquisitions/Divestitures	2.4%	1.6%				(7.2%)	(9.7%)	(14.1%)	(3.0%)		
Organic sales change⁽¹⁾	2.7%	3.5%	5.0%	6.9%	5.1%	(9.5%)	25.2%	5.0%	(0.8%)	4.6%	4.4%

(1) Totals may not sum due to rounding

Adjusted Operating Margin and EBITDA — Avery Dennison

Total Company										
(\$ in millions)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net sales	\$6,330.3	\$5,966.9	\$6,086.5	\$6,613.8	\$7,159.0	\$7,070.1	\$6,971.5	\$8,408.3	\$9,039.3	\$8,364.3
Operating income from continuing operations before interest expense, other non-operating expense (income), and taxes, as reported	\$446.3	\$493.5	\$590.2	\$670.5	\$718.1	\$770.5	\$809.2	\$1,058.7	\$1,074.0	\$782.9
Adjustments(1)	\$3.6	-\$1.0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Operating income from continuing operations before interest expense, other non-operating expense (income), and taxes, previously reported	\$449.9	\$492.5	\$590.2	\$670.5	\$718.1	\$770.5	\$809.2	\$1,058.7	\$1,074.0	\$782.9
Operating margins, as reported	7.1%	8.3%	9.7%	10.1%	10.0%	10.9%	11.6%	12.6%	11.9%	9.4%
Non-GAAP adjustments:										
Restructuring charges:										
Severance and related costs, net of reversals	\$54.7	\$52.5	\$14.7	\$31.2	\$63.0	\$45.3	\$49.1	\$10.5	\$7.6	\$70.8
Asset impairment and lease cancellation charges	\$11.4	\$7.0	\$5.2	\$2.2	\$10.7	\$5.1	\$6.2	\$3.1	\$0.1	\$8.6
Other items	\$0.5	\$5.0	\$3.9	\$3.1	-\$3.8	\$2.8	-\$1.7	-\$8.0	-\$8.3	\$101.5
Adjusted operating income (non-GAAP)	\$516.5	\$557.0	\$614.0	\$707.0	\$788.0	\$823.7	\$862.8	\$1,064.3	\$1,073.4	\$963.8
Adjusted operating margins (non-GAAP)	8.2%	9.3%	10.1%	10.7%	11.0%	11.7%	12.4%	12.7%	11.9%	11.5%
Depreciation & Amortization	\$201.6	\$188.3	\$180.1	\$178.7	\$181.0	\$179.0	\$205.3	\$244.1	\$290.7	\$298.4
Adjusted EBITDA (non-GAAP)	\$718.0	\$745.3	\$794.1	\$885.7	\$969.0	\$1,002.7	\$1,068.1	\$1,308.4	\$1,364.1	\$1,262.2
Adjusted EBITDA margins (non-GAAP)	11.3%	12.5%	13.0%	13.4%	13.5%	14.2%	15.3%	15.6%	15.1%	15.1%

(1) GAAP adjustments for 2014-2015 reflect the previously disclosed impact of the third quarter of 2015 revision to certain benefit plan balances, which had an immaterial impact on the non-GAAP amounts.

Adjusted Operating Margin and EBITDA — Materials Group

Materials Group										
(\$ in millions)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net sales	\$4,814.3	\$4,523.5	\$4,641.1	\$5,102.6	\$5,545.8	\$5,419.8	\$5,340.6	\$6,206.5	\$6,495.1	\$5,811.3
Operating income from continuing operations before interest expense, other non-operating expense (income), and taxes, as reported	\$457.0	\$524.2	\$578.1	\$630.0	\$631.1	\$661.5	\$747.0	\$883.3	\$859.3	\$700.9
Operating margins, as reported	9.5%	11.6%	12.5%	12.3%	11.4%	12.2%	14.0%	14.2%	13.2%	12.1%
Non-GAAP adjustments:										
Restructuring charges:										
Severance and related costs, net of reversals	\$38.3	\$16.2	\$6.3	\$14.7	\$54.2	\$33.8	\$31.7	\$2.8	(\$1.0)	\$49.9
Asset impairment and lease cancellation charges	\$6.1	\$5.4	\$3.1	\$0.3	\$7.6	\$4.6	\$4.6	\$2.2	\$0.0	\$2.5
Other items	\$0.0	(\$1.7)	\$5.5	\$3.2	(\$1.0)	(\$0.7)	(\$5.7)	(\$30.7)	(\$12.4)	\$35.9
Adjusted operating income (non-GAAP)	\$501.4	\$544.1	\$593.0	\$648.2	\$691.9	\$699.2	\$777.6	\$857.6	\$845.9	\$789.2
Adjusted operating margins (non-GAAP)	10.4%	12.0%	12.8%	12.7%	12.5%	12.9%	14.6%	13.8%	13.0%	13.6%
Depreciation & Amortization	\$122.4	\$117.7	\$115.8	\$122.3	\$132.0	\$126.4	\$133.7	\$141.9	\$135.8	\$127.8
Adjusted EBITDA (non-GAAP)	\$623.8	\$661.8	\$708.8	\$770.5	\$823.9	\$825.6	\$911.3	\$999.5	\$981.7	\$917.0
Adjusted EBITDA margins (non-GAAP)	13.0%	14.6%	15.3%	15.1%	14.9%	15.2%	17.1%	16.1%	15.1%	15.8%

Adjusted Operating Margin and EBITDA — Solutions Group

Solutions Group

(\$ in millions)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net sales	\$1,516.0	\$1,443.4	\$1,445.4	\$1,511.2	\$1,613.2	\$1,650.3	\$1,630.9	\$2,201.8	\$2,544.2	\$2,553.0
Operating income from continuing operations before interest expense, other non-operating expense (income), and taxes, as reported	\$73.3	\$59.2	\$105.0	\$126.7	\$170.4	\$196.6	\$144.7	\$257.2	\$302.3	\$165.7
Operating margins, as reported	4.8%	4.1%	7.3%	8.4%	10.6%	11.9%	8.9%	11.7%	11.9%	6.5%
Non-GAAP adjustments:										
Restructuring charges:										
Severance and related costs, net of reversals	\$16.0	\$34.1	\$8.4	\$16.5	\$8.8	\$9.3	\$17.1	\$6.7	\$7.8	\$19.9
Asset impairment and lease cancellation charges	\$5.3	\$1.6	\$2.1	\$1.9	\$3.1	\$0.5	\$1.6	\$0.9	\$0.1	\$3.3
Other items	\$0.5	\$6.5	(\$0.7)	(\$0.3)	(\$0.5)	\$0.1	\$4.0	\$29.0	(\$0.1)	\$63.1
Adjusted operating income (non-GAAP)	\$95.1	\$101.4	\$114.8	\$144.8	\$181.8	\$206.5	\$167.4	\$293.8	\$310.1	\$252.0
Adjusted operating margins (non-GAAP)	6.3%	7.0%	7.9%	9.6%	11.3%	12.5%	10.3%	13.3%	12.2%	9.9%
Depreciation & Amortization	\$79.2	\$70.6	\$64.3	\$56.4	\$49.0	\$52.6	\$71.6	\$102.2	\$154.9	\$170.6
Adjusted EBITDA (non-GAAP)	\$174.3	\$172.0	\$179.1	\$201.2	\$230.8	\$259.1	\$239.0	\$396.0	\$465.0	\$422.6
Adjusted EBITDA margins (non-GAAP)	11.5%	11.9%	12.4%	13.3%	14.3%	15.7%	14.7%	18.0%	18.3%	16.6%

Thank you.

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#MakingPossible



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