

AVERY DENNISON CORPORATION
CORPORATE GOVERNANCE GUIDELINES*

The following guidelines have been approved by the Board of Directors (the “Board”) and provide a framework for the Company’s corporate governance program. The Company shall make these guidelines publicly available on its website. The Governance Committee of the Company shall annually review these guidelines.

1. Director Qualifications

The Board will have a majority of Directors who meet the criteria for independence required by the New York Stock Exchange (the “NYSE”), Section 10A of the Securities Exchange Act of 1934, as amended, and other applicable rules and regulations of the Securities and Exchange Commission (the “Commission”). No Director shall be deemed “independent” unless the Board affirmatively determines that the Director has no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). The Company will disclose the Board’s independence determinations in its annual proxy statement. The Governance Committee is responsible for reviewing with the Board the requisite skills and characteristics of new and incumbent Board members, as well as the composition of the Board as a whole. This assessment will include consideration of members’ and nominees’ qualifications as independent, as well as relevant business and leadership experience (considering factors such as size, the particular industry, scope, complexity and international operations); experience as a board member of another publicly traded company in the U.S.; experience in finance and accounting and/or executive compensation matters; attendance; Company stock ownership; time commitments; conflicts of interest; demographic characteristics (including, without limitation, gender, race and ethnicity); ability to contribute to the oversight, governance and sustainability of the Company; and ability to represent the balanced interests of shareholders as a whole, as well as the interests of other stakeholders, rather than those of any special interest group in the context of the needs of the Board. Nominees for Directorship will be recommended to the Board by the Governance Committee. When evaluating candidates for nomination as new directors, the Governance Committee will seek to consider (and will ask any search firm that it engages to provide) candidates that include highly qualified women and individuals from underrepresented communities.

It is the sense of the Board that a size of 8 to 12 is about right. However, the Board may periodically evaluate whether a larger or smaller number of directors would be preferable.

* Guidelines last amended on December 2, 2021.

It is the sense of the Board that individual Directors who change the principal occupation or position they held when they were elected to the Board should volunteer to resign from the Board. It is not the sense of the Board that in every instance a Director who retires or changes from the position he or she held upon joining the Board should necessarily leave the Board. There should, however, be an opportunity for the Board through the Governance Committee to review the continued appropriateness of Board membership under the circumstances.

Directors should advise the Chairman of the Board and the Chair of the Governance Committee in advance of accepting an invitation to serve on another public company board. There should be an opportunity for the Board, through the Governance Committee, to review the Director's availability to fulfill his or her responsibilities as a Director if he or she serves on more than four other publicly-traded companies in the U.S. Directors joining the Board after April 23, 2020 who are sitting executive officers of a public company may not serve on more than one other such board. Service on other boards of directors or the committees thereof should be consistent with the Company's conflict of interest policies. The retirement of a Director should normally occur on the date of the annual stockholders meeting following the date on which a director becomes 72.

The Board does not believe it should establish term limits at this time. While term limits could help ensure that there are fresh ideas and viewpoints available to the Board, they have the disadvantage of causing the loss of the contribution of Directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole.

The Company has adopted a Code of Conduct, which shall be made available to all Directors and on the Company's website. Directors are expected to comply with the Code of Conduct and avoid any action, position or interest that conflicts with the interest of the Company, or gives the appearance of a conflict.

2. Director Responsibilities

The basic responsibility of the Directors is to exercise their reasonable business judgment on behalf of the Company. In discharging that obligation, Directors are entitled to rely on the honesty and integrity of the Company's senior executives and outside advisors and auditors. The Directors shall also be entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, to the benefits of indemnification to the fullest extent permitted by law and to exculpation as provided by state law and the Company's certificate of incorporation and bylaws.

Directors are expected to attend Board meetings and meetings of Committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. It is the policy of the Company to encourage the attendance of the Directors at the annual shareholders meeting. Information and data that are important to the Board's understanding of the business to be conducted at a Board meeting should generally be distributed in writing to the Directors before the meeting, and Directors should review in advance materials sent to them before the meeting. Board meetings may be held virtually or in person at the location of or in the vicinity of the headquarters or any operating unit of the Company, or elsewhere as determined by the Chairman.

The Board has no policy with respect to the separation of the offices of Chairman and Chief Executive Officer ("CEO"). The Board believes there is no single organizational model that is the best and most effective in all circumstances. As a consequence, the Board through the Governance Committee shall annually consider the appropriateness of the Board leadership structure and the Board retains the authority to separate or combine the positions of Chairman and CEO as it deems appropriate.

The Chairman will establish the agenda for each Board meeting. At the beginning of the year the Chairman will generally establish a schedule of agenda subjects to be discussed during the year (to the degree this can be foreseen). Each Board member is free to suggest the inclusion of items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will regularly review the Company's long-term strategic plans.

The non-management Directors will meet at regularly scheduled meetings in executive session. If the Chairman is not independent, the independent Directors will select an independent Director to serve as the Lead Independent Director, who shall: (i) preside over executive sessions of the independent directors of the Board and (ii) preside over meetings of the Board at which the Chairman is not present. The Lead Independent Director shall also: (a) serve as liaison between the Chairman and the independent Directors; (b) approve information sent to the Board; (c) approve meeting agendas for the Board; (d) approve meeting schedules to assure that there is sufficient time for discussion of all agenda items; (e) have the authority to call meetings of the independent Directors; (f) if requested by major shareholders, ensure that (s)he is available for consultation and direct communication; and (g) have such other duties and powers as may be delegated to the Lead Independent Director by the Board.

The name of the Lead Independent Director, if any, will be disclosed in the annual proxy statement. If the group of non-management Directors includes any Directors who are not independent, then at least once per year an executive session comprising only independent Directors will be scheduled. The Company will disclose a method on its website whereby interested shareholders may communicate with the Lead Independent Director or Non-Executive Chairman, as the case may be.

The Board believes that management speaks for the Company. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. But it is expected that Board members will do this with the knowledge of management and, absent unusual circumstances or as contemplated by the Committee charters or as otherwise required, only at the request of management.

3. Board Committees

The Board will have at all times an Audit and Finance Committee, Talent and Compensation Committee and Governance Committee. All of the members of these Committees will satisfy the independence requirements of the NYSE and applicable rules and regulations of the Commission. The Board has the flexibility to form new Committees, disband a current Committee, or amend the charter of any Committee.

Each Committee will have its own charter, the current versions of which shall be made available on the Company's website. The charters will set forth the purposes, goals and responsibilities of the Committees. The charters will also provide that each Committee will annually evaluate its own performance.

The Chair of each Committee, in consultation with the Committee members, will determine the frequency and length of the Committee meetings consistent with any requirements set forth in the Committee's charter. The Chair of each Committee, in consultation with the appropriate members of the Committee and management, will develop the Committee's agenda.

The Board and each Committee have the power to hire at the expense of the Company independent legal, financial or other advisors, as they may deem necessary.

4. Director Access to Officers and Employees

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a Director wishes to initiate may be arranged through the CEO, the Secretary or directly by the Director. The Directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company.

The Chief Financial Officer, the Chief Legal Officer and the Secretary shall attend Board meetings on a regular basis. The Chairman may invite additional officers to attend Board meetings.

5. Director Compensation

The form and amount of Director compensation will be recommended by the Talent and Compensation Committee and determined by the Board. The Committee will consider that Directors' independence may be jeopardized if the Company makes substantial payments to an entity with which a director is affiliated as an executive officer, or if the Company enters into any consulting arrangement with a Director.

6. Director Orientation and Continuing Education

All new Directors will participate in a Company orientation program, which should be conducted after the Director joins the Board. This orientation will familiarize new Directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its conflict of interest policies, Code of Conduct and other controls, its principal officers, and its internal and independent auditors. All continuing Directors are also invited to attend the orientation program and, at the Company's expense, participate in continuing education.

7. CEO Evaluation and Management Succession

The Talent and Compensation Committee will conduct an annual review of the CEO's performance. The Board will review the Talent and Compensation Committee's report in order to confirm that the CEO is providing effective leadership for the Company.

The Talent and Compensation Committee should at least annually report to the Board on succession planning for the CEO and other senior executive positions, including CEO selection and performance review, as well as policies regarding succession in the event of an emergency or the retirement of the CEO. The entire Board will work with the Talent and Compensation Committee to nominate and evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors to the CEO and other senior executive positions, along with a review of any development plans recommended for such individuals.

8. Annual Performance Evaluation

The Board will conduct an annual self-evaluation to determine whether it and its Committees are functioning effectively. The Governance Committee is responsible for oversight of this evaluation and will discuss annually with the Board its assessment of the Board's performance. The assessment will focus on the Board's contribution to the Company and focus on areas in which the Board or management believes that the Board could improve.

9. Risk Oversight

The Board has the responsibility to oversee the major risks facing the Company, with the assistance of management, and has delegated certain elements of this oversight function to its Committees in accordance with their responsibilities as described in their respective charters.