Risk and Opportunities

1. Regulatory Risks: (CDP6 1(a)(i))

1.1 Is your company exposed to regulatory risks related to climate change?

We do not consider our company to be exposed to regulatory risks.

While Avery Dennison recognizes that climate change is an important global issue, the company does not believe that climate change presents significant, direct regulatory risks for its operations. Avery Dennison maintains an ongoing process to (i) track climate change-related regulatory developments, and (ii) evaluate the potential impacts to its business operations. Based on a global GHG emissions inventory, the company’s enterprise-wide energy use and associated greenhouse gas (GHG) emissions are relatively low compared to many other industry sectors.

Further information

2. Physical Risks: (CDP6 1(a)(ii))

2.1 Is your company exposed to physical risks from climate change?

We do not consider our company to be exposed to physical risks.

Avery Dennison does not anticipate manufacturing or distribution facilities to be significantly impacted by climate change-induced extreme weather events. The company’s facilities are generally located inland, and should not be significantly impacted by sea level rise, flood zones or storm-affected areas.

While Avery Dennison could potentially experience disruptions in its supply chain (e.g., shortage or delay of key raw material inputs) resulting from extreme weather events, the company continually seeks to qualify alternative suppliers on a global basis to mitigate such events. The company does not anticipate significant disruptions in the physical distribution of its products resulting from an extreme weather event.

Demand for the company’s products from customers affected by extreme weather events could be impacted; however, given the company’s breadth of operations globally and the relatively low degree of customer/industry concentration, Avery Dennison does not consider reduced customer demand following an extreme weather event to be a significant risk to the company’s financial bottom line.

Further information

3. Other Risks: (CDP6 1(a)(iii))

3.1 Is your company exposed to other risks as a result of climate change?

We do not consider our company to be exposed to other risks.

Avery Dennison does not believe the company is exposed to other direct climate change-related risk. As noted through preparing GHG emissions inventories, the company’s enterprise-wide energy use and associated GHG emissions are low compared to other industry sectors. Regarding energy use, Avery Dennison primarily uses natural gas for drying ovens, emissions control equipment, and heating/cooling of manufacturing operations and office buildings. In addition, the company purchases electricity for those and other uses. Avery Dennison uses a minimal amount of diesel and other fuels.

Avery Dennison understands that possible significant impacts of any climate change legislation in the United States would include (i) increased fuel and electricity costs for its operations; and/or (ii) being a covered source in a cap-and-trade program. As such, Avery Dennison is reviewing options for decreasing the energy (natural gas and electricity) use in key divisions that have the highest energy use and costs. Avery Dennison is also evaluating possible intensity targets associated with production, revenue, and GHG emissions. For example, the company is pursuing a GHG emissions/revenue metric and goal, as well as an energy efficiency/revenue metric and goal.

Further information

4. Regulatory Opportunities: (CDP6 1(b)(i))

4.1 Do regulatory requirements on climate change present opportunities for your company?

Regulatory requirements present opportunities for my company.

Avery Dennison believes the opportunity to reduce energy use represents the opportunity to be more competitive. By more efficiently manufacturing products, Avery Dennison is minimizing the potential for regulatory risks and impacts and avoiding potential energy and electricity cost increases.

Further information
5. Physical Opportunities: (CDP6 1(b)(ii))

5.1 Do physical changes resulting from climate change present opportunities for your company?

Physical changes do not present opportunities for my company.

Avery Dennison does not currently believe there are direct opportunities resulting from possible climate change-induced physical risks or changes to its operations.

Further information

6. Other Opportunities: (CDP6 1(b)(iii))

6.1 Does climate change present other opportunities for your company?

Climate change presents other opportunities for my company.

Avery Dennison believes that climate change presents opportunities for additional products and services in two key areas.

First, the company has a relatively new business to provide materials ("inlays" and tags) for use in radio frequency identification (RFID) applications. RFID technology can enable large-scale retail organizations, the Department of Defense, consumer product companies, and other businesses to track their products more efficiently throughout the supply chain. Tracking products more efficiently allows an entity to optimize product shipping and transportation, potentially reducing transportation-related GHG emissions. Avery Dennison believes there is substantial likelihood of increased demand for this type of technology to (i) reduce losses associated with stockouts and other supply chain inefficiencies, and (ii) assist companies in calculating their product’s carbon "footprint" and potentially reducing their GHG emissions profile.

Second, as a supplier of paper and film-based materials and products sold by major retailers, the company seeks to develop environmentally-friendly products and waste-minimizing products. An example of the company's development of environmentally-friendly products is the Retail Information Services (RIS) division's launch of a green-product line that includes environmentally certified (i) papers; (ii) organic cotton and recycled polyester printed fabric labels; (iii) organic cotton and bamboo woven labels; and (iv) biodegradable packaging materials.

Further information

Greenhouse Gas (GHG) Emissions Accounting, Emissions Intensity, Energy and Trading

7. Reporting Year (CDP6 Q2(a)(iii))

Information about how to respond to this section may be found in “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)” developed by the World Resources Institute and the World Business Council for Sustainable Development (“the GHG Protocol”), see http://www.ghgprotocol.org/. ISO 14064-1 is compatible with the GHG Protocol as are a number of regional/national programme protocols. For more information see http://www.ghgprotocol.org/ and use the guidance button above.

Please provide CDP with responses to questions 7, 8, 9, 10.1, 10.2, 11.1 and 11.2 for the three years prior to the current reporting year if you have not done so before or if this is the first time you have answered a CDP information request. Please work backwards from the current reporting year, so that you enter data for your oldest reporting period last.

Questions 10.1, 10.2, 11.1, and 11.2 are on subsequent webpages and the dates that you give in answer to question 7 will be carried forwards to automatically populate those webpages.

7.1. Please state the start date and end date of the year for which you are reporting GHG emissions.

Dates not selected.

8. Reporting Boundary: (CDP6 Q2(a)(i))

8.1. Please indicate the category that describes the company, entities, or group for which Scope 1 and Scope 2 GHG emissions are reported.

Companies over which operational control is exercised.

8.2. Please state whether any parts of your business or sources of GHG emissions are excluded from your reporting boundary.

Scope 3 emissions, or supply chain contributions, were not included in the reporting boundary.

9. Methodology: (CDP6 Q2(a)(iii))

9.1. Please describe the process used by your company to calculate Scope 1 and Scope 2 GHG emissions including the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 GHG emissions.

Please provide your answer in the text box. In addition to this description, if relevant, select a methodology from the list of published methodologies. This will aid automated analysis of the data.

Avery Dennison followed the guidance and methodologies provided in the internationally accepted The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard issued by the World Resources Institute/World Business Council for Sustainable Development, as well as the California Climate Action Registry's General Reporting Protocol, and the EPA Climate Leaders' GHG Inventory Guidance.
Avery Dennison has employed an independent firm to gather relevant GHG emissions calculation data to (i) document the data inputs, and (ii) improve the accuracy and efficiency of the data gathering and GHG emissions inventory preparation processes. Avery Dennison will be integrating the GHG emissions and energy data with other internal systems in 2009 to track and monitor GHG emissions information across the organization.

Select methodologies:
- The Climate Registry
- California Climate Action Registry’s General Reporting Protocol and the EPA Climate Leaders’ GHG Inventory Guidance

Please also provide:

9.2 Details of any assumptions made.

9.3 The names of and links to any calculation tools used.
Avery Dennison and its independent firm developed their own emission calculation spreadsheets for use in creating the emission inventory estimates. The equations used in these spreadsheets follow the appropriate calculation methodology per the abovementioned GHG emissions reporting protocols.

Select calculation tools:

9.4 The global warming potentials you have applied and their origin.
The global warming potentials used in the emission inventories originated from the Intergovernmental Panel on Climate Change (IPCC) Second Assessment Report published in 1995. GWP values are from the Second Assessment Report to be consistent with international practices. Values are 100-year GWP values.

9.5 The emission factors you have applied and their origin.
Emission factors used in the GHG emission calculations were applied as applicable according to GHG emission source, and were taken as appropriate from the following protocols: The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard issued by the World Resources Institute/World Business Council for Sustainable Development, as well as The Climate Registry General Reporting Protocol (once it was made available in May 2008), the California Climate Action Registry’s General Reporting Protocol, and the EPA Climate Leaders’ GHG Inventory Guidance.

Further information
Avery Dennison completed a base year emissions inventory for calendar year 2005. Avery Dennison has been integrating approximately 80 acquired facilities in 2008 and 2009. As such, Avery Dennison is adjusting the base year (2005) emissions inventory to account for the GHG emissions associated with the recently acquired facilities. The company will begin to collect activity data to quantify 2008 GHG emissions during the second half of 2009.

10. Scope 1 Direct GHG Emissions: (CDP6 Q2(b)(i))
Instructions for question 10 and question 11 (following page)

When providing answers to questions 10 and 11, please do not deduct offset credits, Renewable Energy Certificates etc, or net off any estimated avoided emissions from the export of renewable energy, carbon sequestration (including enhanced oil recovery) or from the use of goods and services. Opportunities to provide details of activities that reduce or avoid emissions are provided elsewhere in the information request.

Carbon dioxide emissions from biologically sequestered carbon e.g. carbon dioxide from burning biomass/biofuels should be reported separately from emissions Scopes 1, 2 and 3. If relevant, please report these emissions in question 15. However, please do include any nitrous oxide or methane emissions from biomass/biofuel combustion in your emissions under the three scopes.

Please answer the following questions using Table 1.

Please provide:
10.1. Total gross global Scope 1 GHG emissions in metric tonnes of CO$_2$-e

Please break down your total gross global Scope 1 emissions by:
10.2. Country or region

Please provide CDP with responses to questions 10.1 and 10.2 for the three years prior to the current reporting year if you have not done so before or if this is the first time you have answered a CDP information request. Please work backwards from the current reporting year, so that you enter data for your oldest reporting period last. Table 1 (below) and table 5 (Q11.1 and 11.2) will be automatically populated with the dates that you give in answer to 7.1.

Electric utilities should report emissions by country/region using the table in question EU3.
Table 1 - Please use whole numbers only. Use the "Other" option in the drop down menu to enter the name of a region.

<table>
<thead>
<tr>
<th>Reporting year Q7.1 Start date</th>
<th>Reporting year Q7.1 End date</th>
<th>10.1 Total gross global Scope 1 GHG emissions in metric tonnes $\text{CO}_2$-e</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.2 Gross Scope 1 emissions in metric tonnes $\text{CO}_2$-e by country or region</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Your answer to question 10.1 will be automatically carried forward to tables 2 and 3 below if you add a country or region in answer to 10.2 or press "Save" at the end of the page.

Please tick the box if your total gross global Scope 1 figure (Q10.1) includes emissions that you have transferred outside your reporting boundary (as given in answer to 8.1). Please report these transfers under 13.5.

Where it will facilitate a better understanding of your business, please also break down your total global Scope 1 emissions by:

10.3. Business division
and/or
10.4. Facility

10.3. Business division (only data for the current reporting year requested)

Table 2 - Please use whole numbers only.

<table>
<thead>
<tr>
<th>Business Divisions - Enter names below</th>
<th>Scope 1 Metric tonnes $\text{CO}_2$-e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total gross global Scope 1 GHG emissions in metric tonnes $\text{CO}_2$-e - answer to question Q10.1</td>
<td></td>
</tr>
</tbody>
</table>

10.4. Facility (only data for the current reporting year requested)

Table 3 - Please use whole numbers only.

<table>
<thead>
<tr>
<th>Facilities - Enter names below</th>
<th>Scope 1 Metric tonnes $\text{CO}_2$-e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total gross global Scope 1 GHG emissions in metric tonnes $\text{CO}_2$-e - answer to question Q10.1</td>
<td></td>
</tr>
</tbody>
</table>

10.5. Please break down your total global Scope 1 GHG emissions in metric tonnes of the gas and metric tonnes of $\text{CO}_2$-e by GHG type. (Only data for the current reporting year requested.)

Table 4 - Please use whole numbers only.

<table>
<thead>
<tr>
<th>Scope 1 GHG Type</th>
<th>Unit</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>$\text{CO}_2$</td>
<td>Metric tonnes</td>
<td></td>
</tr>
<tr>
<td>CH4</td>
<td>Metric tonnes</td>
<td></td>
</tr>
<tr>
<td>CH4</td>
<td>Metric tonnes $\text{CO}_2$-e</td>
<td></td>
</tr>
<tr>
<td>N2O</td>
<td>Metric tonnes</td>
<td></td>
</tr>
<tr>
<td>N2O</td>
<td>Metric tonnes $\text{CO}_2$-e</td>
<td></td>
</tr>
<tr>
<td>HFCs</td>
<td>Metric tonnes</td>
<td></td>
</tr>
<tr>
<td>HFCs</td>
<td>Metric tonnes $\text{CO}_2$-e</td>
<td></td>
</tr>
<tr>
<td>PFCs</td>
<td>Metric tonnes</td>
<td></td>
</tr>
<tr>
<td>PFCs</td>
<td>Metric tonnes $\text{CO}_2$-e</td>
<td></td>
</tr>
<tr>
<td>SF6</td>
<td>Metric tonnes</td>
<td></td>
</tr>
<tr>
<td>SF6</td>
<td>Metric tonnes $\text{CO}_2$-e</td>
<td></td>
</tr>
</tbody>
</table>

10.6. If you have not provided any information about Scope 1 emissions in response to the questions above, please explain your reasons and describe any plans you have for collecting Scope 1 GHG emissions information in future.

As previously stated, Avery Dennison is integrating approximately 80 acquired facilities into the GHG inventory process. As such, Avery Dennison is adjusting the base year (2005) emissions inventory to account for the GHG emissions associated with the recently acquired facilities. The company has begun to quantify 2008 GHG emissions.

CDP 2009 (CDP7) Information Request
Avery Dennison, in the first quarter of 2009, collected 2008 energy usage data as part of an energy efficiency program; the program is designed to better understand and track energy usage throughout the organization. Avery Dennison is conducting energy reduction reviews at selected facilities and applying lessons learned to other facilities, with the goal of reducing energy consumption and costs (and reducing GHG emissions at the larger energy-consuming facilities within Avery Dennison’s portfolio).

Further information

11. Scope 2 Indirect GHG Emissions: (CDP6 Q2(b)(i))

Important note about emission factors where zero or low carbon electricity is purchased:

The emissions factor you should use for calculating Scope 2 emissions depends upon whether the electricity you purchase is counted in calculating the grid average emissions factor or not – see below. You can find this out from your supplier.

Electricity that IS counted in calculating the grid average emissions factor:
Where electricity is sourced from the grid and that electricity has been counted in calculating the grid average emissions factor, Scope 2 emissions must be calculated using the grid average emissions factor, even if your company purchases electricity under a zero or low carbon electricity tariff.

Electricity that is NOT counted in calculating the grid average emissions factor:
Where zero or low carbon electricity is sourced from the grid or otherwise transmitted to the company and that electricity is not counted in calculating the grid average, the emissions factor specific to that method of generation can be used, provided that any certificates quantifying GHG-related environmental benefits claimed for the electricity are not sold or passed on separately from the electricity purchased.

Click here to see the instructions from the previous page on answering question 11.

Please answer the following questions using Table 5.

Please provide:
11.1. Total gross global Scope 2 GHG emissions in metric tonnes CO\textsubscript{2}-e.
Please break down your total gross global Scope 2 emissions by:

11.2. Country or region

Please provide CDP with responses to questions 11.1 and 11.2 for the three years prior to the current reporting year if you have not done so before or if this is the first time you have answered a CDP information request. Please work backwards from the current reporting year, so that you enter data for your oldest reporting period last. Table 5 will be automatically populated with the dates that you gave in answer to 7.1.

Table 5 - Please use whole numbers only. Use the "Other" option in the drop down menu to enter the name of a region.

<table>
<thead>
<tr>
<th>Reporting year Q7.1 Start date</th>
<th>Reporting year Q7.1 End date</th>
<th>11.1 Total gross global Scope 2 GHG emissions in metric tonnes CO\textsubscript{2}-e</th>
<th>11.2 Gross Scope 2 emissions in metric tonnes CO\textsubscript{2}-e by country or region</th>
</tr>
</thead>
</table>

Your answer to 11.1 will be automatically carried forward to tables 6 and 7 below if you add a country or region in answer to 11.2 or press “Save” at the end of the page.

Where it will facilitate a better understanding of your business, please also break down your total global Scope 2 emissions by:

11.3. Business division
and/or
11.4. Facility

11.3. Business division (only data for the current reporting year requested)

Table 6 - Please use whole numbers only.

<table>
<thead>
<tr>
<th>Business Divisions - Enter names below</th>
<th>Scope 2 Metric tonnes CO2-e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total gross global Scope 2 GHG emissions in metric tonnes CO\textsubscript{2}-e - answer to question Q11.1</td>
<td></td>
</tr>
</tbody>
</table>

11.4. Facility (only data for the current reporting year requested)

Table 7 - Please use whole numbers only.
11.5. If you have not provided any information about Scope 2 emissions in response to the questions above, please explain your reasons and describe any plans you have for collecting Scope 2 GHG emissions information in future.

Avery Dennison is integrating approximately 80 recently acquired facilities into the GHG inventory process. As such, Avery Dennison is adjusting the base year (2005) emissions inventory to account for the GHG emissions associated with the recently acquired facilities. The company has begun to quantify 2008 GHG emissions.

Further information

12. Contractual Arrangements Supporting Particular Types of Electricity Generation: (CDP6 Q2(b)(i) - Guidance)

12.1. If you consider that the grid average factor used to report Scope 2 emissions in question 11 does not reflect the contractual arrangements you have with electricity suppliers, (for example, because you purchase electricity using a zero or low carbon electricity tariff), you may calculate and report a contractual Scope 2 figure in response to this question, showing the origin of the alternative emission factor and information about the tariff.

Not applicable.

12.2. If you retire any certificates (eg: Renewable Energy Certificates) associated with zero or low carbon electricity, please provide details.

Not applicable.

Further information

13. Scope 3 Other Indirect GHG Emissions: (CDP6 Q2(c))

For each of the following categories, please:
- Describe the main sources of emissions,
- Report emissions in metric tonnes of CO\(_2\)e,
- state the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

Notes about question 13

When providing answers to question 13, please do not deduct offset credits, Renewable Energy Certificates etc, or net off any estimated avoided emissions from the export of renewable energy, carbon sequestration (including enhanced oil recovery) or from the use of goods and services. Opportunities to provide details of activities that reduce or avoid emissions are provided elsewhere in the information request.

Carbon dioxide emissions from biologically sequestered carbon e.g. carbon dioxide from burning biomass/biofuels should be reported separately from emissions Scopes 1, 2 and 3. If relevant, please report these emissions in question 15. However, please do include any nitrous oxide or methane emissions from biomass/biofuel combustion in your emissions under the three scopes.

13.1 Employee business travel

Describe the main sources of emissions

Emissions in metric tonnes CO\(_2\)e.

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

13.2. External distribution/logistics

Describe the main sources of emissions

Emissions in metric tonnes CO\(_2\)e.

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used...
for calculating emissions.

13.3 Use/disposal of company’s products and services

For auto manufacture and auto component companies - please refer to the additional questions for these sectors before completing question 13.3. Describe the main sources of emissions

Emissions in metric tonnes CO$_2$-e.

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

13.4 Company supply chain
Describe the main sources of emissions

Emissions in metric tonnes CO$_2$-e.

State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

13.5 Other
If you are reporting emissions that do not fall into the categories above, please categorise them into transferred emissions and non-transferred emissions (please see guidance for an explanation of these terms).

Please report transfers in the first three input fields and non-transfers in the last three input fields.

Transfers
Describe the main sources of emissions

Transfers
Report emissions in metric tonnes of CO$_2$-e.

Transfers
State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

Non-transfers
Describe the main sources of emissions

Non-transfers
Report emissions in metric tonnes of CO$_2$-e.

Non-transfers
State the methodology, assumptions, calculation tools, databases, emission factors (including sources) and global warming potentials (including sources) you have used for calculating emissions.

13.6 If you have not provided information about one or more of the categories of Scope 3 GHG emissions in response to the questions above, please explain your reasons and describe any plans you have for collecting Scope 3 indirect emissions information in future.
Currently, Avery Dennison does not quantify Scope 3 emissions as part of its GHG inventory program.

14.1. If your goods and/or services enable GHG emissions to be avoided by a third party, please provide details including the estimated avoided emissions, the anticipated timescale over which the emissions are avoided and the methodology, assumptions, emission factors (including sources), and global warming potentials (including sources) used for your estimations.

No information can be provided on the estimated GHG emissions reductions through goods and services.

15. Carbon Dioxide Emissions from Biologically Sequestered Carbon: (New for CDP 2009)
An example would be carbon dioxide from burning biomass/biofuels.

15.1. Please provide the total global carbon dioxide emissions in metric tonnes CO₂ from biologically sequestered carbon.

Emissions in metric tonnes CO₂ - Please use whole numbers only

Not applicable.

16. Emissions Intensity: (CDP6 Q3(b))
16.1. Please supply a financial emissions intensity measurement for the reporting year for your combined Scope 1 and 2 emissions.

Please describe the measurement.

16.1.1. Give the units. For example, the units could be metric tonnes of CO₂-e per million Yen of turnover, metric tonnes of CO₂-e per US$ of profit, metric tonnes of CO₂-e per thousand Euros of turnover.

16.1.2. The resulting figure.
Use a decimal point if necessary. Please use a "." rather than a "," i.e. please write 15.6 rather than 15,6

16.2. Please supply an activity related intensity measurement for the reporting year for your combined Scope 1 and 2 emissions.

Please describe the measurement.

16.2.1. Give the units e.g. metric tonnes of CO₂-e per metric tonne of output or for service sector businesses per unit of service provided.

16.2.2. The resulting figure.
Use a decimal point if necessary. Please use a "." rather than a "," i.e. please write 15.6 rather than 15,6

Avery Dennison has gathered preliminary emissions intensity data from the business units, but has not determined a single metric that will best represent its emissions intensity performance. The company is evaluating possible GHG and energy intensity targets associated with production, revenue, and GHG emissions. For example, the company is evaluating a GHG emissions/revenue metric and goal, as well as an energy efficiency/revenue metric and goal.
17. Emissions History: (CDP6 Q2(f))

17.1. Do emissions for the reporting year vary significantly compared to previous years?

We don't have sufficient emissions data to answer the question - Please go to question 18.

If the answer to 17.1 is Yes:

17.1.1. Estimate the percentage by which emissions vary compared with the previous reporting year.

This box will accept numerical answers containing a decimal point. Please use "." not "," i.e. write 10.6, not 10,6.

Have the emissions increased or decreased?

Further information

18. External Verification/Assurance: (CDP6 Q2(d))

18.1. Has any of the information reported in response to questions 10 – 15 been externally verified/assured in whole or in part?

None of the information provided in response to question 10-15 has been externally verified/assured in whole or in part. Please go to question 18.6.

It would aid automated analysis of responses if you could select responses from the tick boxes below. However, please use the text box provided if the tick boxes menu options are not appropriate.

18.2. State the scope/boundary of emissions included within the verification/assurance exercise.

Please use the text box below to describe the scope/boundary of emissions included within the verification/assurance exercise if the tick box menu options above are not applicable.

18.3. State what level of assurance (eg: reasonable or limited) has been given.

18.4. Provide a copy of the verification/assurance statement.

Please attach a copy/copies.

18.5. Specify the standard against which the information has been verified/assured.

18.6. If none of the information provided in response to questions 10-15 has been verified in whole or in part, please state whether you have plans for GHG emissions accounting information to be externally verified/assured in future.

If Avery Dennison decides to submit a GHG emissions inventory to a voluntary reporting program in the United States, the company will have its emissions inventory verified by a third party.

Further information

19. Data Accuracy: (CDP6 Q2(e) – New wording for CDP 2009)

19.1. What are the main sources of uncertainty in your data gathering, handling and calculations e.g.: data gaps, assumptions, extrapolation, metering/measurement inaccuracies etc?

If you do not gather emissions data, please select emissions data is NOT gathered and proceed to question 20.

Emission data is gathered.
Avery Dennison employs data systems to gather relevant GHG emissions calculation data to (i) document the data inputs, and (ii) improve the accuracy and efficiency of the data gathering and GHG emissions inventory preparation processes.

19.2. How do these uncertainties affect the accuracy of the reported data in percentage terms or an estimated standard deviation?

Avery Dennison has not conducted an uncertainty analysis on input parameters from prior inventories.

19.3. Does your company report GHG emissions under any mandatory or voluntary scheme (other than CDP) that requires an accuracy assessment?

No (Please go to question 20.)

19.3.1 Please provide the name of the scheme.

19.3.2. Please provide the accuracy assessment for GHG emissions reported under that scheme for the last report delivered.

Further information


Please provide the following information for the reporting year:

Cost of purchased energy

20.1. The total cost of electricity, heat, steam and cooling purchased by your company.

Select currency

20.1.1. Please break down the costs by individual energy type.

Table 8 - The “Cost” column will not accept text. Please use whole numbers only.

<table>
<thead>
<tr>
<th>Energy type</th>
<th>Cost</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heat</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steam</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooling</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Cost of purchased fuel

20.2. The total cost of fuel purchased by your company for mobile and stationary combustion.

Select currency

20.2.1. Please breakdown the costs by individual fuel type.

Table 9 - The cost column will not accept text. Please use whole numbers only.

<table>
<thead>
<tr>
<th>Mobile combustion fuels</th>
<th>Cost</th>
<th>Currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stationary combustion fuels</td>
<td>Cost</td>
<td>Currency</td>
</tr>
</tbody>
</table>
Energy and fuel inputs

The following questions are designed to establish your company’s requirements for energy and fuel (inputs). Please note that MWh is our preferred unit for answers as this helps with comparability and analysis. Although it is usually associated with electricity, it can equally be used to represent the energy content of fuels (see CDP 2009 Reporting Guidance for further information on conversions to MWh).

Purchased energy input

20.3 Your company’s total consumption of purchased energy in MWh.

Please use whole numbers only.

Purchased and self produced fuel input

20.4. Your company’s total consumption in MWh of fuels for stationary combustion only. This includes purchased fuels, as well as biomass and self-produced fuels where relevant.

Please use whole numbers only.

In answering this question and the one below, you will have used either Higher Heating Values (also known as Gross Calorific Values) or Lower Heating Values (also known as Net Calorific Values).

Please state which you have used in calculating your answers.

20.4.1. Please break down the total consumption of fuels reported in answer to question 20.4 by individual fuel type in MWh.

Table 10 - Please use whole numbers only

<table>
<thead>
<tr>
<th>Stationary combustion fuels</th>
<th>MWh</th>
</tr>
</thead>
</table>

Energy output

In this question we ask for information about the energy in MWh generated by your company from the fuel that it uses. Comparing the energy contained in the fuel before combustion (question 20.4) with the energy available for use after combustion will give an indication of the efficiency of your combustion processes, taking your industry sector into account.

20.5. What is the total amount of energy generated in MWh from the fuels reported in question 20.4?

Please use whole numbers only.

20.6. What is the total amount in MWh of renewable energy, excluding biomass, that is self-generated by your company?

Please use whole numbers only.

Energy exports

This question is for companies that export energy that is surplus to their requirements. For example, a company may use electricity from a combined heat and power plant but export the heat to another organisation.

20.7. What percentage of the energy reported in response to question 20.5 is exported/sold by your company to the grid or to third parties?

Please use whole numbers only.

20.8. What percentage of the renewable energy reported in response to question 20.6 is exported/sold by your company to the grid or to third parties?

Please use whole numbers only.

Further information

Avery Dennison views all costs data, including energy-related costs, to be business-sensitive information. Avery Dennison does not anticipate releasing energy cost data to the public.

21. EU Emissions Trading Scheme: (CDP6 Q2(g)(i) - New wording for CDP 2009)

Electric utilities should report allowances and emissions using the table in question EU5.
21.1. Does your company operate or have ownership of facilities covered by the EU Emissions Trading Scheme (EU ETS)?

No (Please go to question 22.)

Please give details of:

21.2. The allowances allocated for free for each year of Phase II for facilities which you operate or own. (Even if you do not wholly own facilities, please give the full number of allowances).

Table 11 - Please use whole numbers only.

<table>
<thead>
<tr>
<th>Free allowances metric tonnes CO2</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
</table>

21.3. The total allowances purchased through national auctioning processes for the period 1 January 2008 to 31 December 2008 for facilities that you operate or own. (Even if you do not wholly own facilities, please give the total allowances purchased through auctions by the facilities for this period).

Total allowances purchased through auction

21.4. The total CO₂ emissions for 1 January 2008 to 31 December 2008 for facilities which you operate or own. (Even if you do not wholly own facilities, please give the total emissions for this period.)

Total emissions in metric tonnes

Further information

22. Emissions Trading: (CDP6 Q2(g)(ii) - New wording for CDP 2009)

Electric utilities should read EU6 before answering these questions.

22.1. Please provide details of any emissions trading schemes, other than the EU ETS, in which your company already participates or is likely to participate within the next two years.

22.2. What is your overall strategy for complying with any schemes in which you are required or have elected to participate, including the EU ETS?

Avery Dennison is monitoring potential global GHG legislation to determine potential impacts and emissions trading opportunities. Avery Dennison also monitors existing programs and assesses the possible business value to participate in such programs. Given Avery Dennison’s relatively low level of GHG emissions, the company does not believe there is currently a need for a robust emissions trading strategy associated with mandatory emissions trading programs.

Further information

22. Carbon credits

22.3. Have you purchased any project-based carbon credits?

No. (Please go to question 22.5)

Please indicate whether the credits are to meet one or more of the following commitments:

Please also:

22.4 Provide details including the type of unit, volume and vintage purchased and the standard/scheme against which the credits have been verified, issued and retired (where applicable).

22.5. Have you been involved in the origination of project-based carbon credits?

No. (Please go to question 22.7)
22.6. Please provide details including:

• Your role in the project(s),
• The locations and technologies involved,
• The standard/scheme under which the projects are being/have been developed,
• Whether emissions reductions have been validated or verified,
• The annual volumes of generated/projected carbon credits,
• Retirement method if used for own compliance or offsetting.

22.7. Are you involved in the trading of allowances under the EU ETS and/or project-based carbon credits as a separate business activity, or in direct support of a business activity such as investment fund management or the provision of offsetting services?

No. (Please go to question 23)

22.8. Please provide details of the role performed.

Further information

Performance

23. Reduction plans & goals: (CDP6 Q3(a))

23.1. Does your company have a GHG emissions and/or energy reduction plan in place?

Yes. (Please go to question 23.3)

23.2. Please explain why.

It would aid automated analysis of responses if you could select a response from the options below as well as using the text box. However, please just use the text box provided if the options are not appropriate.

If the menu options above are not appropriate, please answer the question using the text box below:

Goal setting

23.3. Do you have an emissions and/or energy reduction target(s)?

23.4 What is the baseline year for the target(s)?

23.5. What is the emissions and/or energy reduction target(s)?

23.6. What are the sources or activities to which the target(s) applies?

23.7. Over what period/timescale does the target(s) extend?

Further information

Avery Dennison has gathered preliminary emissions intensity data from its business units, and will develop in 2009 a single metric that will best represent its emissions intensity performance. The company is evaluating possible GHG and energy intensity targets associated with production, revenue, and GHG emissions. For example, the company is evaluating a GHG emissions/revenue metric and goal, as well as an energy efficiency/revenue metric and goal.

23. GHG emissions and energy reduction activities

23.8. What activities are you undertaking or planning to undertake to reduce your emissions/energy use?
Avery Dennison has upgraded to more energy-efficient emissions control devices. Avery Dennison is gradually implementing energy efficiency improvements for coating dryers and other equipment across the company, which will result in GHG emissions reductions. In addition, the company is identifying opportunities with better process controls for compressed air, HVAC and lighting systems. The company has conducted energy reduction events globally.

Further information

23. Goal evaluation
23.9. What benchmarks or key performance indicators do you use to assess progress against the emissions/energy reduction goals you have set?

After setting intensity targets, Avery Dennison will establish tracking mechanisms to evaluate reduced energy consumption (electricity and fuel use), cost savings, and/or GHG emissions reductions resulting from implementing the intensity targets.

Further information

23. Goal achievement
23.10. What emissions reductions, energy savings and associated cost savings have been achieved to date as a result of the plan and/or the activities described above? Please state the methodology and data sources you have used for calculating these reductions and savings.

Not applicable.

23.11. What investment has been required to achieve the emissions reductions and energy savings targets or to carry out the activities listed in response to question 23.8 and over what period was that investment made?

Table 13 - The "Investment number" column will not accept text. Please use whole numbers only.

<table>
<thead>
<tr>
<th>Emission reduction target/energy saving target or activity</th>
<th>Investment number</th>
<th>Investment currency</th>
<th>Timescale</th>
</tr>
</thead>
</table>

Further information

23. Goal planning & investment
23.12. What investment will be required to achieve the future targets set out in your reduction plan or to carry out the activities listed in response to question 23.8 above and over what period do you expect payback of that investment?

Table 14 - The "Number" column will not accept text. Please use whole numbers only.

<table>
<thead>
<tr>
<th>Plan or action</th>
<th>Investment number</th>
<th>Investment currency</th>
<th>Payback</th>
</tr>
</thead>
</table>

23.13. Please estimate your company's future Scope 1 and Scope 2 emissions for the next five years for each of the main territories or regions in which you operate or provide a qualitative explanation for expected changes that could impact future GHG emissions.

If possible, please use table 15 below to structure your answer to the question or alternatively use the text box below.

Scope 1 forecasted emissions in Table 15 below are in the following units.

Scope 2 forecasted emissions in Table 15 below are in the following units.

Table 15 - The "Scope" columns will not accept text. Please use whole numbers only.

Type in the name of the territory or region for which you are giving data and then press "Add Territory/Region". If giving a global figure instead of separate figures for regions or territories, please write "global" in the box labelled "Enter name of territory or region".

Click here to see a sample table.
23.14. Please estimate your company’s future energy use for the next five years for each of the main territories or regions in which you operate or provide a qualitative explanation for expected changes that could impact future GHG emissions.

If possible, please use Table 16 below to structure your answer to the question or alternatively use the text box below.

Table 16 - Please use whole numbers only.
Type in the name of the territory or region for which you are giving data and a description of the data you are giving e.g. electricity consumption. Then press “Add Row”. If giving a global figure instead of separate figures for regions or territories, please use the word “global”. This table will also accept different types of units e.g. units of volume or mass.

Click here to see a sample table.

23.15. Please explain the methodology used for your estimations and any assumptions made.

Not applicable.

Further information
Currently, Avery Dennison does not estimate future GHG emissions or future energy usage.

24. Planning: (CDP6 Q3(c))

24.1. How do you factor the cost of future emissions into capital expenditures and what impact have those estimated costs had on your investment decisions?
Currently, Avery Dennison does not estimate future GHG emissions. Avery Dennison may be transferring current internal data systems to a system capable of gathering GHG emissions data on a more frequent basis, with the goal of potentially monitoring and forecasting energy and GHG emissions on a more detailed level than an annual estimation.

Further information

Governance

25. Responsibility: (CDP6 Q4(a))

25.1. Does a Board Committee or other executive body have overall responsibility for climate change?

Yes. (Please answer question 25.3 and 25.4)

25.2 Please state how overall responsibility for climate change is managed and indicate the highest level within your company with responsibility for climate change.

25.3. Which Board Committee or executive body has overall responsibility for climate change?

The company has a Corporate Sustainability Committee, and in March 2007 created a Director of Corporate Sustainability position to provide focus and accountability on climate change and other sustainability issues. A Sustainability Core Team, comprised of operations and marketing managers from each of the company’s business units, meets regularly and works with the Director of Corporate Sustainability to define and manage Avery Dennison’s sustainability initiatives. Avery Dennison’s GHG-related initiative continues to be a critical component among the company’s sustainability efforts.

25.4. What is the mechanism by which the Board or other executive body reviews the company’s progress and status regarding climate change?

Further information
26. **Individual Performance: (CDP6 Q4(b))**

26.1. Do you provide incentives for individual management of climate change issues including attainment of GHG targets?

No. (Please go to question 27.1)

26.2. Are those incentives linked to monetary rewards?

26.3. Who is entitled to benefit from those incentives?

Further information

At this time, the company has not specified GHG-related intensity targets, nor has it determined whether incentive mechanisms for managers are warranted with respect to GHG intensity targets.

27. **Communications: (CDP6 Q4(c))**

27.1. Do you publish information about the risks and opportunities presented to your company by climate change, details of your emissions and plans to reduce emissions?

No.

If so, please indicate which of the following apply and provide details and/or a link to the documents or a copy of the relevant excerpt:

27.2. The company's Annual Report or other mainstream filings.

27.3. Voluntary communications (other than to CDP) such as Corporate Social Responsibility reporting.

Further information

28. **Public Policy: (CDP6 Q4(d))**

28.1. Do you engage with policymakers on possible responses to climate change including taxation, regulation and carbon trading?

No

Further information