



Jefferies 2025 Industrials Conference

Deon Stander, President and CEO

September 3, 2025

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, tariffs, geopolitical 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, geopolitical and market conditions; changes in geopolitical conditions, including those related to trade relations and tariffs, China, the Russia-Ukraine war, 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, and customer preferences; environmental regulations and sustainability trends; the impact of competitive products and pricing; the execution and integration of acquisitions; selling prices; customer and supplier concentrations or consolidations; the financial condition of distributors; outsourced manufacturers; product and service quality claims; restructuring and other cost reduction actions; our ability to generate sustained productivity improvement and our ability to achieve and sustain targeted cost reductions; the timely development and market acceptance of new products, including sustainable or sustainably-sourced products; our investment in development activities and new production facilities; the collection of receivables from customers; and our sustainability and governance practices
- Information Technology – disruptions in information technology systems; cybersecurity events 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; outcome of tax audits; and the realization of deferred tax assets
- Human Capital – recruitment and retention of employees and collective labor arrangements
- Our Indebtedness – our ability to obtain adequate financing arrangements and maintain access to capital; credit rating risks; fluctuations in interest rates; 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 our intellectual property; 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 2024 Form 10-K, filed with the Securities and Exchange Commission on February 26, 2025, and subsequent quarterly reports on Form 10-Q.

The forward-looking statements included in this document are made only as of the date of our most recent earnings release (July 22, 2025), and we undertake no obligation to update these statements to reflect subsequent events or circumstances, other than as may be required by law.

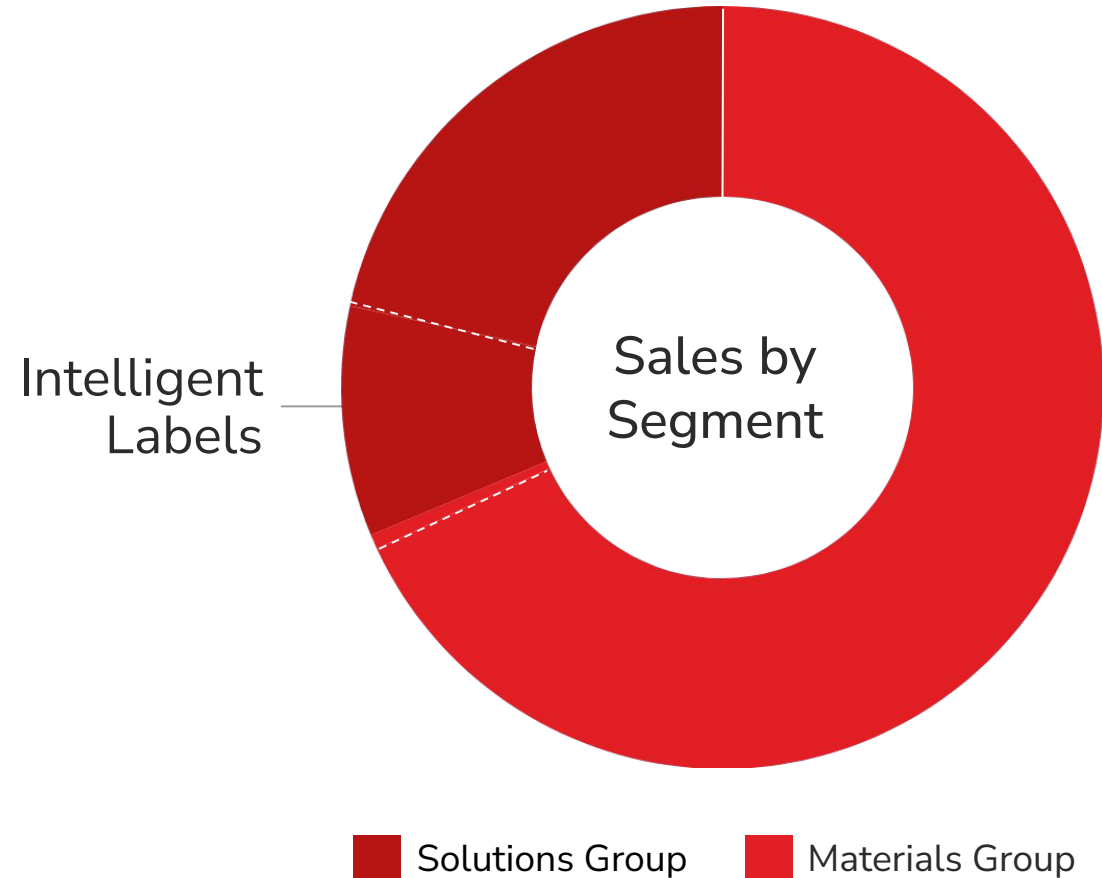
Use of Non-GAAP Financial Measures

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 the appendix to this document.

Avery Dennison at a glance

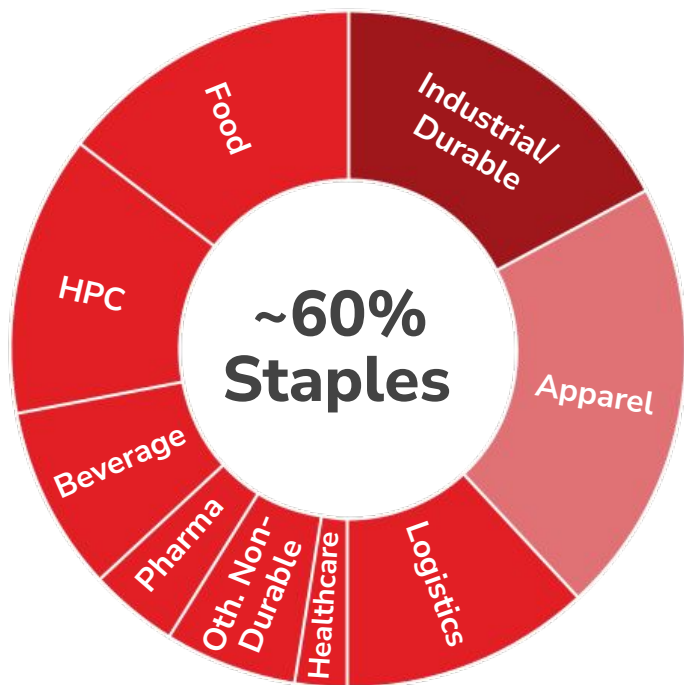
- Recognized industry leader
- Global materials science and digital identification solutions company
- Provider of a wide range of branding and information solutions that optimize labor and supply chain efficiency, reduce waste, advance sustainability, circularity and transparency, and better connect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

2024 Net Sales
\$8.8 Billion

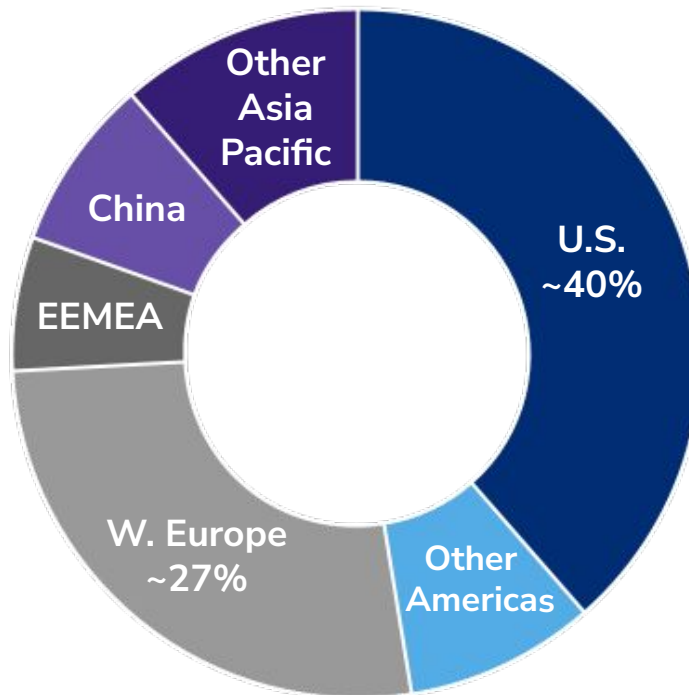


Broad exposure to diverse markets, with increasing portfolio strength

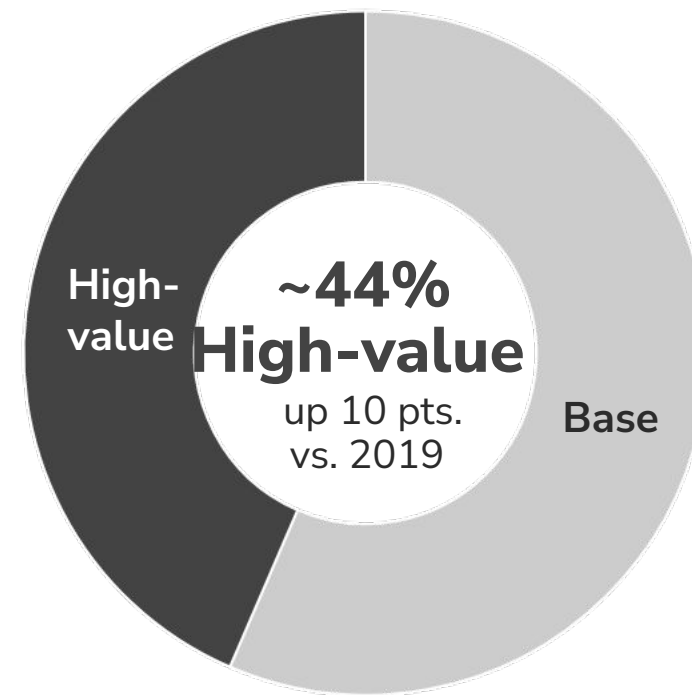
Sales by End Market⁽¹⁾



Sales by Geography⁽¹⁾



Sales by Category⁽¹⁾



(1) Estimated FY 2024 sales by end market

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

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

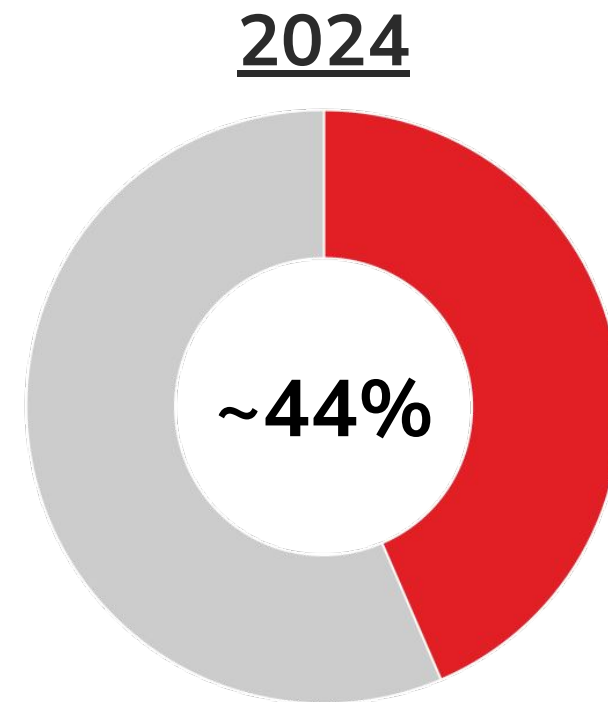
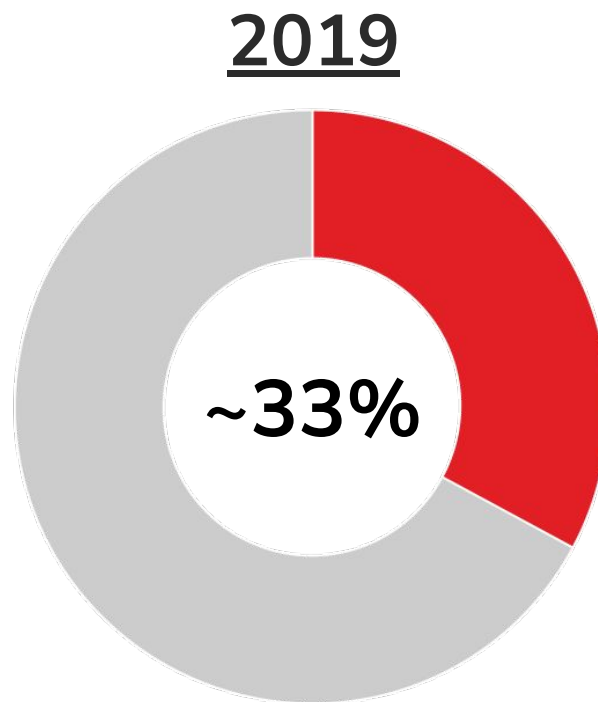
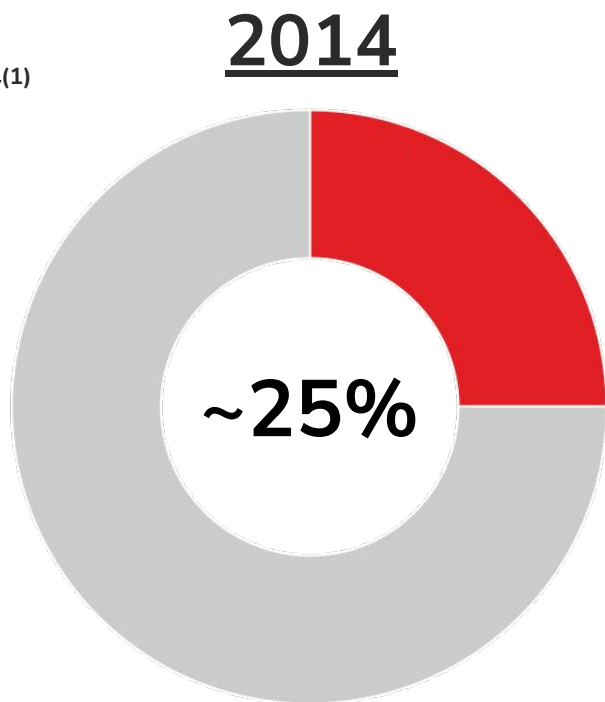
Our strategies to continue to deliver GDP+ growth and top quartile returns

- 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

Unlocking Value: Expanding High-Value Category exposure is a key contributor to driving sales outgrowth and margin expansion over the long term

Sales by Category⁽¹⁾

High-value
Base



**Starting Point
(2014)**

AVY Adj. EBITDA
Margin: 11.3%

Est. HVC Organic
Growth⁽²⁾⁽³⁾

AVY Adj. EBITDA
Margin

2014 to 2019

HSD CAGR
~2.5x wt. avg. GDP

14.2% in '19



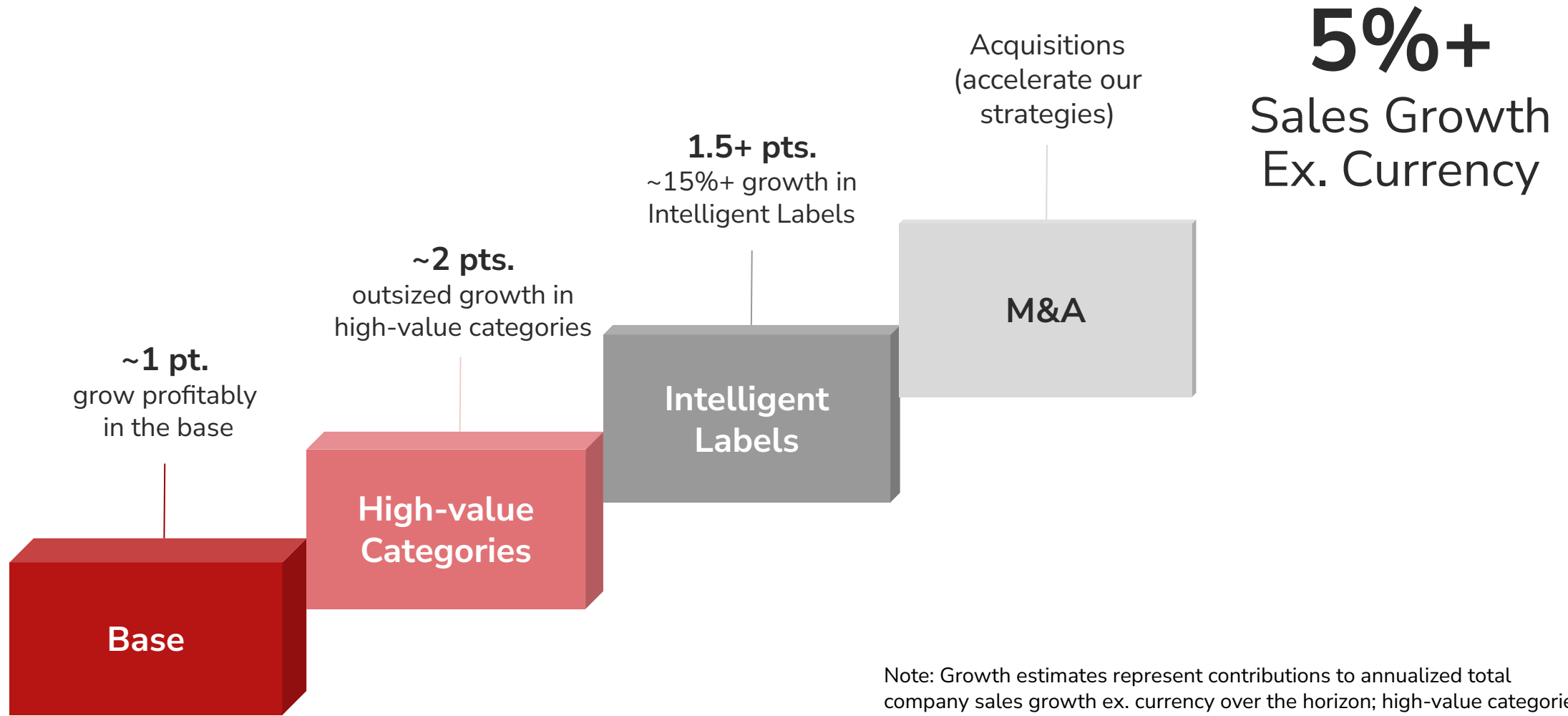
2019 to 2024

MSD CAGR
~2.5x wt. avg. GDP

16.4% in '24

(1) Constant-currency
(2) Estimated organic growth and GDP is calculated using the 5-YR periods ending in 2019 and 2024, respectively.
(3) LSD/MSD/HSD = low, mid or high single digit %

Targeting strong top-line growth over the long term



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

Disciplined approach to capital allocation

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

~\$8B of capital available for deployment 2024-2028

- Investing organically and through M&A to deliver superior returns across cycles
 - Approx. half of 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
- Committed to maintaining strong credit rating, targeting a net debt to adjusted EBITDA ratio (non-GAAP) of ~2-3x

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

Appendix

Reconciliation of Non-GAAP Financial Measures from GAAP

Use of Non-GAAP Financial Measures

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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 and other 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, the currency adjustments for transitional reporting of highly inflationary economies and the reclassification of sales between segments. Additionally, where applicable, sales change ex. currency is also adjusted for an extra week in our fiscal year and the calendar shift resulting from an extra week in the prior fiscal year. 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. Our 2025 fiscal year that began on December 29, 2024 will end on December 31, 2025; fiscal years 2026 and beyond will be coincident with the calendar year beginning on January 1 and ending on December 31.
- **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 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 EBITDA** refers to adjusted operating income before depreciation and amortization.
- **Adjusted EBITDA margin** refers to adjusted EBITDA as a percentage of net sales.
- **Net debt to adjusted EBITDA ratio** refers to total debt (including finance leases) less cash and cash equivalents, divided by adjusted EBITDA for the last twelve months. We believe that the net debt to adjusted EBITDA ratio assists investors in assessing our leverage position.

Adjusted Operating Margin and EBITDA — Avery Dennison

(\$ in millions)	2014	2019	2024
Net sales	\$ 6,330.3	\$ 7,070.1	\$ 8,755.7
Reconciliation of adjusted EBITDA from GAAP:			
As reported net income	\$ 245.1	\$ 303.6	\$ 704.9
Interest expense	63.3	75.8	117.0
Other non-operating expense (income), net	22.2	445.2	(26.7)
Provision for income taxes	113.5	(56.7)	248.6
Loss from discontinued operations, net of tax	2.2	---	---
Equity method investment losses	---	2.6	---
Operating income from continuing operations before interest expense, other non-operating expense (income), taxes, and equity method investment losses, as reported	\$ 446.3	\$ 770.5	\$ 1,043.8
Adjustments	3.6	---	---
Operating income from continuing operations before interest expense, other non-operating expense (income), and taxes, previously reported	\$ 449.9	\$ 770.5	\$ 1,043.8
Operating margins, as reported	7.1%	10.9%	11.9%
Non-GAAP adjustments:			
Restructuring charges, net of reversals:			
Severance and related costs, net of reversals	54.7	45.3	35.4
Asset impairment and lease cancellation charges	11.4	5.1	6.5
Other items	0.5	2.8	36.4
Adjusted operating income (non-GAAP)	\$ 516.5	\$ 823.7	\$ 1,122.1
Adjusted operating margins (non-GAAP)	8.2%	11.7%	12.8%
Depreciation and amortization	\$ 201.6	\$ 179.0	\$ 312.2
Adjusted EBITDA (non-GAAP)	\$ 718.1	\$ 1,002.7	\$ 1,434.3
Adjusted EBITDA margins (non-GAAP)	11.3%	14.2%	16.4%

(1) GAAP adjustments for 2014 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.

Thank you.

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MAKING POSSIBLE™

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