

AVERY DENNISON CORPORATION
AUDIT AND FINANCE COMMITTEE CHARTER*

Purpose

The Audit & Finance Committee (“Committee”) is appointed by the Board to assist the Board with its oversight responsibilities in monitoring (1) the integrity of the financial statements of the Company, (2) the independent auditor’s qualifications and independence, (3) the performance of the Company’s internal audit function and the independent auditor, (4) the compliance by the Company with legal and regulatory requirements and (5) the Company’s capital structure, capital allocation strategy, financing plans and related matters.

The Committee shall review and approve the report required by the rules of the Securities and Exchange Commission (the “Commission”) to be included in the Company’s annual proxy statement.

Committee Membership

The Committee shall consist of no fewer than three members. The members of the Committee shall meet the independence and knowledge requirements of the New York Stock Exchange, Section 10A(m)(3) of the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules and regulations of the Commission. At least one member of the Committee shall be an “audit committee financial expert” as defined by the Commission. Committee members shall not simultaneously serve on the audit committees of more than two other SEC-reporting companies. The Chairman and members of the Committee shall be appointed by the Board on the recommendation of the Governance and Social Responsibility Committee. Committee members may be replaced by the Board.

Committee Meetings

The Committee shall meet as often as it determines to be necessary, but not less frequently than seven times a year. The Committee shall meet periodically with management, internal audit and the independent auditor in separate executive sessions. The Committee may request any officer or employee of the Company or the Company’s outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Committee Authority and Responsibilities

The Committee shall have the sole authority to appoint or replace the independent auditor (subject, if applicable, to shareholder ratification). The Committee shall be directly responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Committee.

* Charter last amended on December 6, 2018.

The Committee shall preapprove all auditing services and permitted audit-related, tax and other services to be performed for the Company by its independent auditor, subject to the de minimis exceptions for non-audit services described in Section 10A(i)(1)(B) of the Exchange Act that are approved by the Committee prior to the completion of the audit. The Committee may form and delegate authority to subcommittees (consisting of one or more members when appropriate) the authority to grant preapprovals of audit and permitted non-audit services, provided that decisions of such subcommittee to grant preapprovals shall be presented to the full Committee at its next scheduled meeting.

The Committee shall have the authority, to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report, or performing other audit, review or attest services, and to any advisors engaged by the Committee and for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee may conduct or authorize investigations into any matters within the scope of the duties and responsibilities delegated to the Committee.

The Committee shall make regular reports to the Board. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review the Committee's own performance.

The Committee, to the extent it deems necessary or appropriate, shall:

Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the annual audited financial statements, including the results of the audit and the disclosures made in management's discussion and analysis, and recommend to the Board whether the audited financial statements should be included in the Company's Form 10-K.
2. Review and discuss with management, including the senior internal auditor, and with the independent auditor, the Company's internal controls report and the independent auditor's attestation of the report prior to the filing of the Company's Form 10-K.
3. Review and discuss with management and the independent auditor the Company's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements, prior to the release of quarterly financial results. Review and provide input on Forms 10-Q, including the disclosures made in management's discussion and analysis, prior to their being filed with the Commission.
4. Discuss with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.

5. Review and discuss with the independent auditor:
 - (a) All critical accounting policies and practices to be used.
 - (b) All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
 - (c) Other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
6. Discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance provided to analysts and rating agencies. Such discussion may be done generally (consisting of discussing the types of information to be disclosed and the types of presentations to be made).
7. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
8. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies and oversee risks relating to financial statements and financial matters and reporting. In addition, the Committee shall have oversight of the Company's cybersecurity risk management program and review regular reports from Company management on cybersecurity and other risks related to the Company's information technology controls and security.
9. Discuss with the independent auditor the matters required to be discussed by the Public Company Accounting Oversight Board's AS 1301, *Communications with Audit Committees*, as amended, and any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.
10. Review disclosures made to the Committee by the Company's CEO and CFO during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies or material weaknesses in the design or operation of internal controls over financial reporting and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Oversight of the Company's Relationship with the Independent Auditor

11. Review and evaluate the lead partner of the independent auditor team.
12. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the

preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company. Evaluate the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and internal audit. The Committee shall present its conclusions with respect to the independent auditor to the Board.

13. Ensure the rotation of the audit partners as required by law. Consider periodically (every three to five years) whether it is appropriate to change the independent auditing firm.
14. Recommend to the Board policies for the Company's hiring of employees or former employees of the independent auditor who participated in any capacity in the audit of the Company.
15. Discuss with the engagement partner of the independent auditor any significant issues on which the engagement team consulted with their national office and the results of such consultations.
16. Meet with the independent auditor to discuss the planning and staffing of the audit.

Oversight of the Company's Internal Audit Function

17. Review and approve the appointment, reassignment or dismissal of the senior internal auditor.
18. Supervise directly the senior internal auditor in the conduct of his or her operational responsibilities, while ensuring that he or she reports administratively to the Chief Financial Officer, and evaluate the performance of the senior internal auditor and the internal audit function.
19. Review the significant issues reported to management prepared by the internal auditing department and management's responses.
20. Discuss with the Company's senior internal auditor, independent auditor and management, the internal audit department responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.

Compliance Oversight Responsibilities

21. In the event that an illegal act has been detected or has otherwise come to the attention of the independent auditor in the course of its audit, review and discuss the firm's report or conclusions related thereto, as required by Section 10A(b) of the Exchange Act.
22. Obtain reports and information from other Board Committees, management, the Company's senior internal auditor, as appropriate, to assist the Committee in fulfilling its oversight responsibilities.

23. Oversee the Company's Audit Committee Procedures for Accounting and Auditing Matters, the procedures established by the Committee for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters. In addition, the Committee shall make determinations and recommend action to the Board regarding violations of the Code of Ethics for the Chief Executive Officer and Senior Financial Officers related to information contained in SEC filings and other public communications issued by the Company.
24. Discuss with management, the independent auditor and/or other advisors, as appropriate, significant correspondence with regulators or governmental agencies that raise material issues regarding the Company's financial statements or accounting policies.
25. Discuss with the Company's General Counsel legal matters that may have a material impact on the financial statements or the Company's compliance policies.

Oversight of Financial Matters

26. Review and, where appropriate, make recommendations to the Board regarding:
 - (a) The Company's capital structure and financial plans in light of its current operations and long-term strategies.
 - (b) The Company's capital allocation strategy, including stockholder dividends and the Company's stock repurchase program.
 - (c) The Company's financing plans including equity, debt or other securities offerings and private placements that may have a material impact on the Company's financial position.
 - (d) The funding status of the Company's pension plans.
 - (e) Significant tax matters, including tax policy, the Company's effective tax rate and tax planning strategies.
 - (f) Such other financial matters that management or the Board desires to have reviewed by the Committee.

Additional Committee Authority

In addition to the authority necessary to carry out the foregoing responsibilities, the Committee may in its discretion request and receive reports from the Chairs of other Committees of the Board regarding matters under the cognizance of such Committees that the Committee determines are appropriate to the fulfillment of its functions under this Charter. The Committee shall have such other duties as may be lawfully delegated to it from time to time by the Board of Directors. The Committee shall report regularly to the Board of Directors and review with the Board of Directors any issues that may arise with respect to the quality or integrity of the Company's financial statements, compliance with legal or regulatory requirements related to financial statements and reporting, the performance and independence of the independent auditor or the performance of the internal audit function.

Limitations of Committee's Role

Although the Committee has the authority and oversight responsibilities set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management, and it is the independent auditor's responsibility to conduct the audit.