

Avery Dennison Corporation (Avery Dennison)



Background on Avery Dennison

Avery Dennison is a global packaging manufacturer and distributor. It was founded in 1935 and is headquartered in Glendale, California. It primarily manufactures pressure-sensitive adhesive materials, apparel branding, display graphics, embellishments, and RFID tags. It operates across 50 countries and employs 25,000 people. It reported revenues of US\$6 billion in 2015 and is publicly listed on the New York Stock Exchange.

How did Avery Dennison come to start thinking about context?

In 2014, Avery Dennison's sustainability goals were about to expire, leading Dean Scarborough, Avery Dennison's CEO, to challenge the company to come up with a new and more ambitious set of sustainability goals using scientific thresholds and context-based thinking as the foundation¹. This challenge launched a year long process to set the company's 2025 sustainability goals¹.

Building internal consensus and commitment is a central value in Avery Dennison's culture, so the starting point for this goal setting process was to conduct an extensive set of interviews across its business units and with its external stakeholders². The company drew on a backcasting process set out in [The Natural Step Framework](#) to guide conversations with key stakeholders, asking them what they imagined Avery Dennison might look like in 10, 20, and 30 years¹. The outcome of this process was the development of a purpose statement that identified Avery Dennison's primary areas of influence, the potential risks, and its high-level sustainability goals¹. The company's Guiding Principles are grounded in the Natural Step Framework and the [Future Fit Benchmark](#) and cover various socio-ecological sustainability issues.

¹ Sustainable Brands Webinar (2015). Sparking Change from the Inside. Accessed at: http://www.sustainablebrands.com/digital_learning/webinar/brand_innovation/sparking_change_inside

² Avery Dennison (2014). Sustainability Report 2012-2014. Accessed at: http://www.averydennison.com/content/dam/averydennison/corporate/global/English/Documents/Sustainability/AveryDennison_SustainabilityReport_2012-14_f.pdf

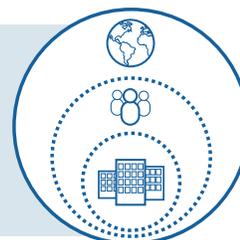
What does context look like at Avery Dennison?

1 ACKNOWLEDGE the need to operate within global, regional, and/or local socio-ecological thresholds.

GHG EMISSIONS



WASTE



Avery Dennison uses the following statement: “Our approach to business proceeds from the recognition that, to ensure a viable future, humanity must live within the limits of the earth’s resources. So, as we grow as a business, we’re also taking steps to leave the planet in better condition than we found it².” To support this, the company uses the following principles from the [Natural Step Framework](#) and the [Future Fit Benchmark](#)¹:

- Don’t pollute with extracted materials;
- Don’t pollute with manufactured materials;
- Don’t over-harvest or over-encroach on living systems;
- Don’t impede people’s wellness, influence, competence, equity and meaning;
- Discover and capture lost value at every stage of the value chain;
- Empower all our people to innovate and create value;
- Embrace the collaboration that is inherent to sustainability; and
- Create shared value for our customers, their value chains and the communities we serve.

GHG emissions: Avery Dennison published a document entitled “Our Response to Climate Change” that states “climate change is an imminent threat that demands urgent action from all of us³.” This document outlines the company’s commitment to reducing its GHG emissions³. Avery Dennison has committed to working with its value chain to help it understand its GHG emissions through the launch of its [GreenPrint™](#) initiative³.

Waste: Avery Dennison has generally acknowledged that the elimination of waste is important but has yet to outline the threshold(s) it understands to be associated with this ecological issue². The company has yet to make a commitment to work with its value chain to help it operate within this threshold.

Other thresholds: Avery Dennison acknowledges other socio-ecological thresholds including water, energy, chemicals, gender equality, and business ethics but not in a way that would be considered contextual.

³ Avery Dennison (n.d.). Our Response to Climate Change. Accessed at: <http://www.averydennison.com/content/dam/averydennison/corporate/global/English/>

2 Transparently understand and **PRIORITISE** a set of focus areas in relation to key socio-ecological trends at the global, regional, and/or local level.

GHG EMISSIONS



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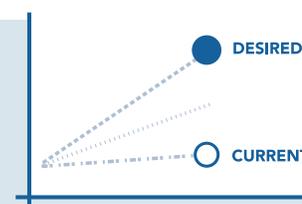
All thresholds: Avery Dennison's materiality assessment aims to prioritise the areas in which it can have the most impact, both in terms of building a sustainable business and building a sustainable society². Avery Dennison has yet to demonstrate or explain how it is developing its understanding of how each of its key socio-ecological thresholds are related to its business operations or the operations of its value chain.

3 SET STRATEGY AND GOALS by transparently articulating the current performance gap and what portion of this gap the business will address.

GHG EMISSIONS



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GHG emissions: Avery Dennison aims to achieve at least a 3% absolute reduction on its GHG emissions year-over-year¹. This goal was developed using a methodology developed by the [WWF](#) and [CDP](#), called [The 3% Solution](#)¹. Avery Dennison has determined it will need to cut emissions by a minimum of 26% over the next decade to meet this goal but has yet to transparently outline the assumptions it used to calculate this figure². The company has not included its value chain's GHG emissions within this goal.

Waste: Avery Dennison has committed to becoming 95% landfill-free, with at least 75% of waste reused, repurposed, or recycled by 2025². Additionally, the company aims to eliminate 70% of matrix and liner waste from its value chain activities¹. Avery Dennison has not yet transparently explained the assumptions or rationale used to set this goal. While the company has an aspiration to send zero waste to landfill from its manufacturing operations, it has not committed to a timeline for this aspiration.

Other thresholds: Avery Dennison has not yet set contextual goals in relation to any other thresholds.

4 Transparently TRACK performance against realistic trajectory targets.

GHG EMISSIONS



WASTE



GHG emissions: Avery Dennison has a history of reporting its sustainability performance within its sustainability reports but it has yet to develop realistic trajectory targets for its GHG emissions goal². The company has yet to commit to setting metrics that could be used to monitor its influence on its value chain in helping it adhere to the limits of this threshold.

Other thresholds: Avery Dennison reports its performance against other socio-ecological issues including water, energy, chemicals, gender equality, and business ethics but does not yet report its progress in conjunction with their associated thresholds.

What is the road ahead for context at Avery Dennison?

Avery Dennison continues to develop its understanding of the impacts it has on key socio-ecological issues, and this is an important next step in determining the gap between its current sustainability performance and the level of performance that is needed to operate within the limits of the thresholds. To support its efforts to achieve its goals the company has formed partnerships with [Sustainable Brands](#), the [Rainforest Alliance](#), and the [WWF](#).