

tesa SE: Our Responsibility – Our Commitment and Involvement

Report 2009



A vivid tradition of responsibility



UN Photo/Mark Garten

Global Compact

The date: January 31, 2001. The location: the World Economic Forum, in Davos. Then-UN Secretary General Kofi Annan calls on companies that operate internationally to take an active stance in meeting the challenges presented by globalization. His vision: a global pact based on universally accepted social and environmental principles.

Today, companies from more than 80 countries, international employee associations, civil society organizations, governments, and United Nations organizations are involved in the Global Compact. Under the auspices of the current UN Secretary General, Ban Ki-Moon, the world's largest corporate citizenship initiative is moving forward.

The ten principles on which the pact is based, covering the areas of human rights, labor standards, environmental protection, and the fight against corruption, have long formed part of the corporate values of tesa. Our membership in the Global Compact underscores this vivid tradition. All of tesa SE's activities related to commitment and involvement are subject to a continuous improvement process. In this current issue, the Progress Report 2009, we present a look at the development of our activities and projects – with regard to the ten principles of the UN Global Compact and our own corporate responsibility strategy.

The ten principles of the UN Global Compact

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



Progress Report 2009

As a member of the United Nations Global Compact, we have committed to report annually on the progress of our initiatives. This helps facilitate a regular interchange of information with those around us and documents our projects aimed at putting the ten principles of the Global Compact into practice and firmly implementing them within our company.

The Progress Report 2009 provides you with an overview of our worldwide commitment and involvement in the fields of human rights and labor standards, environmental protection, the fight against corruption, and society. tesa has traditionally taken a sustainable approach that ensures both continuity and a con-

tinuous improvement process. With 51 affiliates worldwide, there are a large number of projects involved. For that reason, this report is limited to a representative selection of current initiatives.

In line with the communication channels used by our stakeholders, we began publishing our Progress Report in an online version in 2008. Beyond the advantage of better accessibility, an online report also offers opportunities for active dialogue and regular updates. You can also visit the "Responsibility" section of our website for comprehensive information on the topics of the environment, quality, employees, and social matters: www.tesa.com/company/responsibility.



Declaration of Support

Membership based on firmly held convictions

We are firmly convinced that binding values and a sustainable business policy are prerequisites for economic success.

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Human Rights and Labor Standards

The human factor

Conduct guidelines and new activities in the areas of fostering employee qualifications and occupational health and safety leave their mark on 2009. >> Page 5



Environmental Protection

Worldwide initiatives

At present, tesa is making progress on over 60 environmental projects. Examples from the areas of energy, solvents, waste, and environmentally friendly products. >> Page 10



Fighting Corruption

Proper conduct

In our Code of Conduct and Purchasing Charter, we take a clear stance on the rules of conduct that apply on a binding basis at tesa. >> Page 16



Social Projects

Strategy with regional facets

With its focus on children and young people, our social commitment and involvement is reflected in over 40 projects worldwide.

>> Page 17

Declaration of Support



“It’s the many little things that add up to a big impact.”

Thomas Schlegel,
CEO of tesa SE



There’s no question about it: The fast pace of technological progress and the development of the global economy affect people, the natural world, and society all over the world. The crucial factor is for us to identify the challenges associated with these developments and take appropriate actions. Public policy-makers, the business sector, and society on the whole have to step up to face these challenges in equal measure to the best of their ability. It is true that our role as an internationally operating company is probably best seen as just a tiny cog in the big picture. But it is the many little things that add up to make a big impact. This is the conviction behind the sustainable business policy – from an economic, ecological, and social perspective – that tesa has pursued for generations. Our membership in the United Nations Global Compact underscores this approach and provides a broader framework in which to view our activities.

The year behind us was unusual in many ways. As one of the world’s leading manufacturers of self-adhesive system solutions, tesa supplies a clientele that includes many customers in the automotive and electronics industries. As a result, we felt the impact of the global economic crisis directly, with consequences that affected some of our costlier environmental projects, for instance, which we were forced to suspend for the time being due to economic developments. Our final figures for energy consumption also fell short of our original targets, due to the unfavorable combination of reduced production volumes and fixed baseline quantities that apply regardless of production levels.

On the other hand, we also associate the past year with some extraordinary highlights – especially from a technological point of view. We put our groundbreaking ACX technology into action in 2009 by building up the new production unit in Hamburg-Haus-

bruch. The new technology is a state-of-the-art method invented by tesa for environmentally compatible production of double-sided acrylate adhesive tapes.

Advanced technology was combined with the latest findings in the field of occupational safety and health when designing the new unit, dubbed LBA 27 – a highly flexible development and production unit we have been using since March 2009 to manufacture products for customers in the pharmaceuticals and electronics sectors under cleanroom conditions.

In addition, we are pursuing our commitment to the environment at the consumer level with the “green” office products marketed under the tesa ecoLogo® sub-brand, which was developed in 2009 and launched in January 2010.

Despite the crisis, we continued our social commitment and involvement in 2009, as in years past, and have recently intensified our efforts in the area of training and continuing education. One integral component of many of the training and continuing education courses is teaching the values and guidelines that apply at tesa, in the firm belief that we can only do business responsibly and sustainably if our staff members are trained accordingly. The tesa Antitrust Compliance Program, which was initiated in 2009, shares similar goals. It provides guidance on fair competition, with the aim of effectively preventing potential violations of antitrust law.

For nearly 100 years, the tesa name has stood for innovative solutions, high quality, and dependable service. We will continue our unceasing efforts to uphold these standards into the future – along with acting sustainably and following the spirit of the UN Global Compact.

Human Rights and Labor Standards

The human factor as a determinant of success

People are the very foundation of our business success – people like our own employees as well as customers and suppliers. With this in mind, compliance with and advocacy of international human rights are just as much a part of our principles as unimpeachable labor standards. We have firmly established these principles with initiatives that include the internationally applicable tesa Code of Conduct and the worldwide tesa Purchasing Charter, which governs our cooperation with suppliers. The content of the policies and rules associated with these initiatives formed an integral component of numerous staff development measures during this reporting year.

In 2009, our commitment and involvement were also documented by an award for occupational health and safety granted to the tesa plant in Italy and the company's below-average accident figures. In addition, we developed the tesa Antitrust Compliance Program, which provides employees with guidance on fair competition and prevents potential violations of antitrust law. Specific communications and training courses on this topic are on our agenda for 2010.



Code of Conduct

Binding rules of conduct

The tesa Code of Conduct defines clear values and conduct guidelines for all employees of the tesa Group. Its content is an integral component of training courses and workshops. >> Page 6



Purchasing Charter

Minimum standards for strategic purchasing

Supplier qualification, evaluation, and development have been harmonized across the group. This helps us ensure that our internationally binding minimum standards are met. >> Page 7



Employee Qualification

Employee qualification and training

Our employees are the most important capital for securing tesa's success. Our corporate culture and targeted staff development and support initiatives take this fact into account. >> Page 8



Occupational Health and Safety

Low accident figures

We raised our already stringent occupational health and safety standards once again in 2009, as attested by factors that include an award in Italy. >> Page 9

Code of Conduct



The tesa Code of Conduct defines values and clear conduct guidelines. Its content is an integral component of training courses and workshops.

Binding rules of conduct

Respect, honesty, trust, tolerance, and integrity – these are the principles we apply in our business, principles that have not only made us successful in the past, but also guide us in the present and will continue to do so in the future. The rules of conduct associated with these principles are specified in a mandatory worldwide code of conduct. During this reporting year, we implemented various communication and training initiatives to ensure that these ideas take even firmer hold within the company.

The rules and criteria incorporated into the tesa Code of Conduct, which is derived from our corporate values and the ten principles of the UN Global Compact, provide clear guidance. The Code of Conduct strengthens others' trust in the performance and integrity of the tesa Group. No matter the position or title, we expect all employees to abide by our ethical principles and consistently apply them in everything they do. We demand that our executives not only demonstrate exemplary compliance with the rules of conduct, but also ensure at the same time that they are actively communicating the rules to others.

Since the Code of Conduct was introduced, all executives have been required to complete an e-learning program and have been given presentation material to support the ongoing process of communicating with their employees. In addition, at the beginning of 2009, the Code of Conduct was made an integral component of our introductory seminars for new employees, leadership training sessions, and the Sales Qualification Program, and it is also a permanent feature of our newly developed Management Development Programs, which are slated to begin in 2010 and are aimed at executives and budding managers.

The Code of Conduct embodies our most important principles across six thematic areas:

1. Compliance with laws and regulations

We conduct business legally and ensure strict compliance with the laws of the countries in which we operate.

2. Fair competition

We do not secure market advantages through unfair or illicit practices.

3. Protection of tesa assets

We are careful in our dealings with the company's proprietary and copyrighted information, assets, and resources.

4. Socially compatible working environment

We ensure a socially compatible, safe, and motivational working environment. We categorically reject all forms of child labor, forced labor, discrimination, and similar practices. And we expect our business partners to do the same.

5. Personal integrity

We encourage the highest degree of personal integrity and fairness among our employees and avoid situations in which personal interests conflict, or could conflict, with those of our company.

6. Social commitment and involvement

We take our responsibility toward future generations seriously and actively work toward sustainable development across all the relevant sectors – in economic, ecological, and social terms.



Download „Code of Conduct“

Purchasing Charter



The qualification, evaluation, and development of suppliers are handled according to standard criteria at all tesa locations, ensuring that our binding worldwide minimum standards are met.

Minimum standards for strategic purchasing

We at tesa are firmly convinced that sustainable, responsible corporate conduct must go beyond the individual company itself. That's why our internal rules of conduct have long applied to our cooperation with suppliers around the globe as well. To provide a standardized framework for our internationally applicable core principles, the Strategic Purchasing division of tesa established the tesa Purchasing Charter last year. In 2009, we continued to promote across-the-board knowledge within the tesa Group of the minimum standards we apply worldwide and expect our partners to meet in the areas of human rights, labor standards, environmental protection, and the fight against corruption.

By signing our contract terms and conditions, suppliers make a binding commitment to operate in accordance with the ten fun-

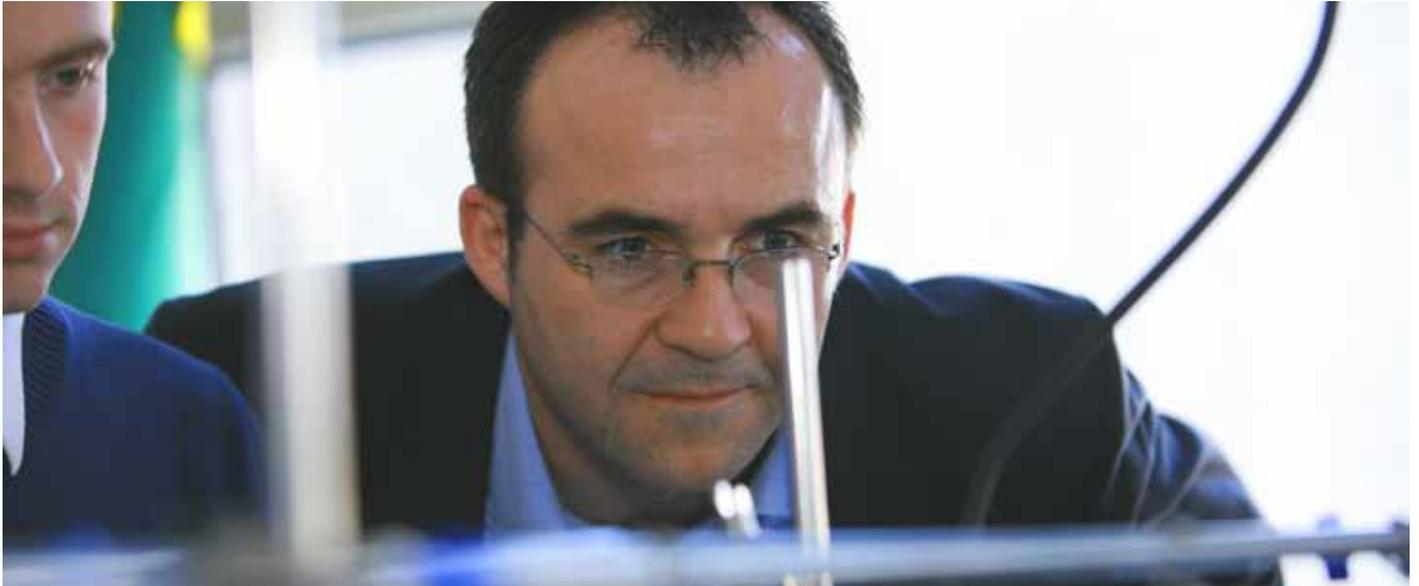
damental principles of the UN Global Compact. In our cooperation with suppliers, we strive to establish long-term strategic partnerships and pursue a continuous improvement process. This includes jointly established goals and monitoring the degree to which they are met, site visits, and certification under the ISO 14001 environmental standard and ISO 9001 quality standard.

Since 2009, we have also been supporting compliance with our minimum standards by implementing our SRM (supplier relationship management) process. Under this process, supplier qualification, evaluation, and development will follow the same systematic approach throughout the entire tesa Group – from initial contact via a questionnaire to in-plant product qualification and finally to uniformly designed local audits.



Download „Purchasing Charter“

Employee Qualification and Training



Our employees are the most important capital for securing our success. Our corporate culture and targeted employee development and support initiatives take this fact into account.

Expanded opportunities for continuing education and training

All over the world, employee integration and personnel development are among the most important factors contributing to our success. Despite the tough economic conditions triggered by the worldwide financial and economic crisis, we continued to expand our already extensive range of continuing education and training offerings in 2009. One example is the successful Sales Qualification Program, which we were able to enlarge from a training portfolio of 14 courses to over 30. In addition, we have broadened our language selection, so we are now offering these courses, which are aimed primarily at sales employees, in 23 different languages. The content focuses not only on technological and commercial topics, but also on the tesa Code of Conduct, whose rules of conduct make up a key component of all sales-related activities.

In 2009, a total of 560 employees participated in 210 days of training worldwide. And the benefits of training were felt beyond

the traditional fields of marketing and sales: The expansion of the program meant that a number of employees from R&D also had their first opportunity to participate in the training.

The year 2009 was also marked by the further development of new training and continuing education concepts scheduled for introduction in 2010. In this regard, two key initiatives were launched – one for experienced executives, and one for further qualification of junior talent with demonstrated potential to take on management duties in the future. In addition to subject-specific content, subjects such as sustainability and corporate social responsibility, responsible management, and corporate compliance are integral components of both management development programs. The tesa Code of Conduct also remains an important element of the planned executive training courses, along with promotion of international cooperation focusing on achieving a uniform understanding, worldwide, of the corporate activities of the tesa Group and communication with stakeholders.

Occupational Health and Safety



We raised our high worldwide standards for occupational health and safety once again in 2009 and received an award.

Low accident figures

Prevention is the best form of protection from injuries and job-related health risks. Our extraordinarily low accident rates demonstrate that we are on the right track with our occupational health and safety initiatives and training measures at all of the plants.

In 2009, our approach to occupational health and safety was borne out by factors including an award granted to the tesa plant in Concagno by the Italian Ministry of Health and EU-OSHA, the European Agency for Safety and Health at Work. The agencies granted the distinction based on the plant's internal reporting system for reducing risk, which has now been successfully in use for more than two years. The combination of employee responsibility, risk assessments conducted through an occupational safety management system, and an improvement process that incorporates everyone involved has enabled the company to identify and eliminate over 100 potential hazards.

All around the world, tesa is subject to our Occupational Safety Guidelines, which are aligned to the international OHSAS 18001 standard. In terms of safety, we regularly raise employee awareness of the issue worldwide – including through training on conduct that is conducive to safety and health, prevention of explosions and fires, fire extinguishing drills, detailed operating procedures for all production facilities, and targeted employee training. This approach has ensured a steady decline in the number of occupational accidents subject to mandatory reporting. Across

all tesa locations, the number fell from 27 in the previous year to 20 in 2009, a decrease of 26 percent worldwide.

At tesa, systematic identification and assessment of risks associated with potential hazards forms the cornerstone of our ability to preclude faults, mistakes, and improper conduct wherever possible. To this end, in 2009 we were able to further develop our worldwide risk assessment and elimination system in line with the TOP principle. This analytical tool, which covers three categories – “technical”, “organizational”, and “personal” – is used to assess potential hazards and facilitates the evaluation and prioritization of potential solutions.

We also further developed our occupational health and safety initiatives in 2009 by introducing uniform processes for use during the project planning of new systems and facilities. The aim of this initiative was to take precautionary measures to prevent potential hazards early on. This principle was put into practice right away during the current reporting year, with the LBA 27 unit. The production unit installed at the Hamburg-Hausbruch plant in March 2009 is a highly flexible development and production unit, specially constructed for tesa, that can be used to manufacture products under cleanroom conditions – such as pharmaceutical patches for the drug industry. To prevent potential accidents, the topic of occupational health and safety played a crucial role from the start, even during the planning and construction phase.

Environmental Protection

Worldwide initiatives

Leaving a clean and healthy environment behind for subsequent generations is one of tesa's stated corporate goals. All of our production sites are certified according to the international ISO 14001:2004 environmental standard. We take a precautionary approach, promoting the international exchange of information between our environmental experts and actively taking the initiative. Part of this strategy is the development of our own production technologies to enable solvent-free production. In addition, we are increasingly pursuing our commitment and involvement at the product level: For instance, we now offer a large number of product solutions that help customers and consumers conserve

energy. At the beginning of 2010, we also launched the new tesa ecoLogo® sub-brand, which offers "green" office products.

Ongoing monitoring and improvement of specific key indicators, such as reduction of energy consumption, CO₂ emissions, and waste, have long been an integral component of our approach to environmental management. We also expect our suppliers to uphold comparable standards. In total, our environmental commitment and involvement encompasses more than 60 individual projects. By way of example, the section that follows cites some of our initiatives.



Environmental goals, 2007 through 2012 International activities

Clearly formulated goals are the key to our ambitious environmental program, which encompasses projects spanning the entire globe. >> Page 11



Energy Raising awareness

Targeted measures to increase awareness of energy use at the tesa plant in Offenburg yield exemplary energy-reducing projects. >> Page 12



Reduced solvent use Environmentally friendly technologies

For its new, ecofriendly ACX technology, tesa has been granted funding under the German government's Environmental Innovation Program. >> Page 13



Waste management Small steps, big impact

Changes in behavior start with the right mindset: Reducing waste and proper recycling protect the environment and conserve resources. >> Page 14



Commitment at the product level Consumers benefit from tesa

Products aimed at conserving energy and sustainably produced merchandise help protect the climate. The winners? People all over the world. >> Page 15

Environmental Goals, 2007 through 2012



Clearly formulated goals are the key to our ambitious environmental program, which encompasses projects spanning the entire globe.

International activities

Our environmental program for the period from 2007 through 2012 involves ambitious, binding goals. We monitor the degree to which we meet these internationally applicable environmental goals through a global monitoring program based in each case on constant production quantities. The current five-year plan also includes emissions of volatile organic compounds (VOCs). Our activities in this area have already yielded clear successes: From 2007 until 2009, we were able to achieve a 30 percent reduction. That means that as things currently stand, we will in all likelihood meet our target of a 50 percent reduction by 2012. This is also directly connected with the ongoing further development of our production technologies, where we are consistently eliminating solvent use wherever possible. This approach led to a decrease of seven percent in 2009.

As a result of the worldwide economic crisis, our final figures for energy consumption in 2009 fell short of our expectations, stagnating at the previous year's level. The reason for this development was the unfavorable combination of reduced production volumes and fixed baseline energy consumption quantities that apply regardless of production levels. The same factors also affected our CO₂ emissions in Europe. With regard to the constant 2006 production volume, which we use as the fixed basis for comparison across all areas, we posted a slight increase of two percent for 2009.

Environmental goals 2007 through 2012

VOC Emission	- 50 %
Solvents used	- 15 %
Energy consumed	- 10 %
Waste	- 5 %
CO ₂ Europe	- 10 %

Energy



In Offenburg, exemplary projects are driving down energy consumption and reducing CO₂ emissions.

Raising awareness

The worldwide financial and economic crisis in 2009 left its mark on tesa SE as it did on so many others. During the current reporting year, it affected the figures for energy consumption – as a result of the unfavorable combination of reduced production volumes and fixed baseline quantities that apply regardless of production levels. Nonetheless, the company was able to achieve targeted improvements, especially at the tesa plant in Offenburg. The project entitled “Active Environmental Protection through Reduced Waste and Energy Use,” whose motto is “small steps, big impact,” contributed to the plant’s positive showing. The project uses various communication initiatives to encourage employees to proactively develop suggestions for improvements. To create additional incentive, the success of these projects is tied to employees’ variable bonuses.

One part of the initiative is made up by various individual projects, of which 56 had already been implemented or initiated in 2009. For example, the tesa plant in Offenburg was able to considerably reduce energy consumption in the production of

tesafilm® by using a cutting-edge heat recovery system that makes it possible to feed warm exhaust air from the machinery into the heating cycle, a technology that the plant has been installing on an ongoing basis for some years now. On the whole, these initiatives enabled the site to cut energy consumption during the current reporting year by 5,500 megawatt-hours. The plant also achieved further savings by ensuring that empty conveyor belts were consistently shut down. As the next step, there are plans to automate this process to prevent even short-term empty runs during ongoing production operations.

Unfortunately, the economic crisis and downward trend in overall sales forced tesa to postpone some costly measures aimed at reducing energy consumption in 2009. The company is making efforts to implement these projects in 2010. They include putting a state-of-the-art ventilation system in place at the Hamburg-Hausbruch tesa plant, a step that will save about 500 megawatt-hours of energy each year.

Reduced Solvent Use



tesa received financial support from the German government's Environmental Innovation Program for its ecofriendly new ACX technology.

Environmentally friendly technologies

Part of our continuous improvement process, and an essential component of the tesa environmental program, is our consistent shift toward ecofriendly production technologies. Since the first large-scale system for solvent-free coating was put into operation at the tesa plant in Offenburg in 2002, we have been determinedly expanding on this technology, which was developed and patented by tesa. Our plants in Offenburg and Italy have produced the majority of their products without using solvents for several years now, and we are consistently shifting production to environmentally friendly methods in Suzhou, China, as well. In the case of products that, for technical reasons, cannot yet be produced without solvents, we use advanced systems for solvent recovery and reuse.

tesa has succeeded in making a particular technological breakthrough with its proprietary ACX technology, a state-of-the-art

method that enables ecofriendly production of double-sided acrylate adhesive tapes. Compared with conventional technologies, the new method cuts the amount of solvent needed in half, and all of the solvent used can be recovered early on, during the adhesive production process. This eliminates the labor-intensive process of curing the adhesive tapes, cleaning the exhaust air, and treating wastewater. The outcome: a considerable reduction in the use of solvents, minimal use of process water, just half as much energy consumption, and substantially reduced emissions. These results have won praise at the political level as well: The Federal Ministry for the Environment, Nature Conservation and Nuclear Safety recognized the investment project with funding from the Environmental Innovation Program. We are going to put the new ACX technology into action in 2010 with the start of the production unit at the Hamburg-Hausbruch plant.

Waste Management



Changes in behavior start with the right mindset: Reducing waste and proper recycling protect the environment and conserve resources.

Small steps, big impact

Producing goods of any kind necessarily involves generating waste. When it comes to reducing the quantity of waste generated and protecting both the environment and natural resources, we hold regular training sessions worldwide to ensure that everyone involved becomes aware of how to prevent unnecessary waste and how to recycle properly. At some of our locations, the great importance of this topic is reflected in the fact that the indicator of waste quantities is even included in the personal targets set for the responsible employees. This ensures that when problems occur, all of the relevant departments are involved in the resolution process, which raises each and every person's awareness of the issue. Beyond that, we are always looking for new technical solutions that enable us to recycle as much as possible.

The tesa plant in Offenburg cast a spotlight on this topic in 2009 with its project "Active Environmental Protection through Reduced Waste and Energy Use." As in the area of energy, the project's motto is also "small steps, big impact." Posted communications raise staff awareness of the issue, and when combined with incentives offered as part of the employees' variable bo-

nuses, help prompt employees to proactively make suggestions for improvements. One example is the handling of slightly damaged pallets: Instead of being thrown away, they are now being repaired at low cost. In many production areas as well, small tweaks are contributing to a noticeable reduction in the amount of waste, such as the establishment of a collective warehouse for roll remainders, which then move back into the production cycle when subsequent orders are placed. This action enabled the plant to prevent 15 tons of roll material from being disposed of in the current reporting year. Installation of self-cleaning filters on the kneading machines cut the wasted amount of mass by 10 tons, and optimized through-feed of roll ends during the production of painter's masking tape reduced the tear rate, and thus the amount of paper wasted, by nine tons.

The location in Italy continued to pursue its "Rifiuti, no Grazie" ("Waste? No thanks") project, begun in 2008, in 2009 as well – with the particular aim of increasing recycling rates. To good effect: Since the start of the project, the percentage of waste that is recyclable has risen by 30 percent.

Commitment and Involvement at the Product Level



Products aimed at conserving energy and sustainably produced merchandise help protect the climate. The winners? People all over the world.

Consumers benefit from tesa

Responsibility for the environment involves all of us – at tesa, we are convinced of it. That’s why we consistently pursue our environmental commitment at the product level. In the recent past in particular, tesa has added groundbreaking solutions to its product range in this area.

Public discussion of climate change has put the topic of environmental protection in sharper focus among consumers as well. A growing number of people put a premium on sustainably produced goods. With the new tesa ecoLogo® sub-brand, tesa is emphasizing “green” products for the office. Refillable containers, recycled materials, renewable resources, and eco-compatible production technologies are among the company’s most important criteria. With an initial range of six items specifically labeled as environmentally friendly, the company entered this market segment at the beginning of 2010.

For many consumers, the fact that saving energy is not only good for the environment, but also goes easy on budgets strained by rising prices is the crucial factor in deciding to do something about the worst energy wasters in the home – roofs, windows, and doors. Consumer tips abound, but hardly any of them are as easy to put into practice as simply sealing gaps around windows, a segment where tesa leads the market with its classic tesamoll®. Consumers in Germany can conserve up to 35 percent of the heat energy they use every year, cutting their costs by triple-digit figures, according to findings by independent engineering firm ebök, which is based in the German city of Tübingen. Plus, with the tesa ISO SYSTEM®, launched in 2009, tesa offers homeowners in Germany, Austria, and Switzerland the option of simple, long-lasting do-it-yourself interior roof insulation. The results of these kinds of measures speak for themselves: While a single-family home without heat insulation loses over 12,000 kilowatt-hours of energy every year, the figure for a comparable insulated home is only about 3,000.

Fighting Corruption



The new tesa Antitrust Compliance Program helps ensure fair competition by providing information on aspects relevant from an antitrust law standpoint.

Integrity and proper conduct

Integrity and responsibility are vital and essential components of our actions. We conduct our business as a company in strict compliance with laws and regulations. The tesa Group categorically rejects all forms of corruption and of unlawful or immoral conduct. When a company does business worldwide, it is forced to appeal to its partners' own sense of responsibility to a certain extent. With the tesa Code of Conduct, we give our own employees a clear understanding of our values. It provides guidance and fosters both integrity and responsible conduct. And if questions arise in individual cases, a Compliance Manager is available to act in an advisory capacity. We also expect our suppliers to uphold values and standards that are comparable to our own. Our cooperation with our partners is defined in the tesa Purchasing Charter.

tesa traditionally stands for trust. This image is associated with virtues that guarantee free markets and fair competition. To ensure that this is the case consistently, all over the world, we established the tesa Antitrust Compliance Program at the end of 2009. It raises our employees' awareness of antitrust issues in order to prevent potential violations. We operate a special intranet platform that features the most important information on aspects that are relevant from an antitrust law standpoint as well as guidelines for conduct that complies with antitrust law in our day-to-day business dealings. Moreover, in 2010 we are starting international training sessions for decision makers and employees with contacts that could involve antitrust law issues, such as sales and marketing employees. In addition, an e-learning program is in the planning stages as well.

Social Projects

Strategy with regional facets

In 2009, a number of projects continued to embody the extensive social commitment and involvement of tesa SE and its affiliates, despite the economic and financial crisis. These projects are in line with our Corporate Giving Strategy, which we first formulated in 2007 and is also incorporated into the tesa Code of Conduct.

Our Corporate Giving Strategy specifies the topics on which our activities focus, while also giving our affiliates the ability to adjust their approaches regionally according to local circumstances. On the whole, we set great store by achieving lasting effects through long-term initiatives that respond to the specific conditions and situations that apply in the region. Our commitment and involvement focusing on children and young people

encompasses four main areas. Alongside fostering creativity, promoting education, and developing future talent in science and technology, these main areas also include providing support to institutions that assist sick and socially disadvantaged children.

In our activities, we focus in particular on volunteerism among tesa employees. Examples of this concept of “Corporate Volunteering” include our support for the Hamburg-based initiative Mentor e. V. and the assistance provided to the Suzhou Sunshine School, in China, for children from families of migrant workers. We would like to present a few of these projects, which span across all the fields in which we are active, as examples. For information on further activities, please visit the Responsibility/Society section of our website.



Fostering Creativity

Multifaceted commitment

“Tesalino & Tesalina” and Hamburg-based initiative Mentor e. V. are involved in fostering children’s creativity. >> Page 18



Promoting Education

Improving educational opportunities

Educating children and young people is part of our Corporate Giving Strategy. Examples from China and Mexico. >> Page 19



Developing Future Talent in Science and Technology

Early specialization

In our role as a technology company, we support education and training opportunities for future talent, along with specific educational institutions. >> Page 20



Support for Institutions for Sick and Socially Disadvantaged Children

Improving opportunities

With scholarships, sponsorships, and volunteer work, we are committed to helping disadvantaged children and young people. >> Page 21

Fostering Creativity



Multifaceted commitment and involvement – our Corporate Citizenship initiatives are reflected in over 40 projects worldwide, focusing on children and young people.

Germany

Write stories and do craft projects with Tesalino & Tesalina

For exactly ten years now, the “Tesalino & Tesalina” contest has been focusing on opening up the joys of reading to children while also cultivating their imaginations and creativity. In its anniversary year, as in years past, the joint initiative organized by Stiftung Lesen (the Reading Foundation) and tesa SE generated a tremendous response: In 2009, over 37,000 children in about 1,500 elementary and primary school classes got involved in the assigned topic of energy and energy conservation. With wit, imagination, and a nose for investigation that would do any detective proud, the children tackled the search for energy sources and energy wasters in their everyday lives. They did craft projects, created little comics, or scrutinized electricity consumption in their own homes, hands-on. The results affirm that the competition’s approach to supporting children in all of their talents has lost none of its luster, even after ten years.

To date, the “Tesalino and Tesalina” contest initiated by tesa and Stiftung Lesen in 1999 has captivated 400,000 students at elementary, primary, and special needs schools. From 1999 to 2009, 15,665 projects were submitted and considered. This makes the annual storytelling, invention, and crafts competition one of the largest and longest-term projects in Germany aimed at promoting children’s reading skills and creativity.

Germany

Reading makes children smart – and happy

For ten years now, tesa has championed the cause of supporting children’s reading skills in order to prepare them better for school and their later professional lives. In addition to our longstanding cooperation with Stiftung Lesen (the Reading Foundation), tesa is now in its second year of supporting the Hamburg-based initiative Mentor e. V. Taking the road less traveled to find joy in books is one way to think of the work done by the volunteer mentors. For one hour a week, the mentors take time to pass along their love of reading to children aged eight to 16 in a fun and entertaining way. For a rising number of tesa employees as well as the children, the weekly reading hour has become a fixture in their calendars. Together with their reading mentees – who often have a hard time getting involved with reading, for various reasons – they dive into the fantasy world opened up by the stories they read. It’s a win-win solution for both sides: The children enjoy the undivided attention of their mentors for an hour while striving to perfect their reading skills, considered the gold standard in education, and the adults get to have fun reliving a bit of their childhoods – a surefire recipe to ensure fun for all.

Promoting Education



Improving educational opportunities – Educating children and young people is part of our Corporate Giving Strategy. Examples from China and Mexico.

China

Educational opportunities for children of migrant workers

According to estimates, between 150 and 200 million migrant workers in China have moved from rural regions to the booming cities and coastal regions in recent years. For the children of these families, there is hardly any opportunity to complete a continuous education. To improve their prospects, employees of the tesa plant in Suzhou got involved in assisting the neighboring Suzhou Sunshine School in 2009. Scholarships and assistance with instruction are intended to provide help where it is needed, emphasizes Plant Manager See Thai Ang: "Our hope is that we can help ease the way for these children and enable them to have a successful future." At the same time, a team of employees provides active, regular support by organizing fundraisers and charity events and arranging ongoing shared learning and recreational activities.

Mexico

Scholarship program for disadvantaged children

The tesa affiliate in Mexico is member of the team of supporters contributing to the Foundation for the Protection of Children (Fundación para la Protección de la Niñez) since 2008. Together with its sponsors, the private institution has been able to help more than 100,000 disadvantaged children throughout the country in recent years. The Foundation focuses on health, fighting poverty, culture, and education. tesa Mexico is contributing by endowing its own scholarship program and by ensuring that a number of children in Mexico City receive the necessary learning materials as well as school uniforms and school meals. By doing so, the tesa affiliate is supporting the children during the phase of their lives when they are developing their own sense of self and self-confidence.

Developing Future Talent in Science and Technology



Early specialization – In our role as a technology company, we are committed to training future talent, and we support specific educational institutions.

Brazil

Expertise for professional practice

In 2009, tesa Brazil and the Escola Theobaldo de Nigris (SENAI) college further expanded on the partnership they had started two years before. On the class schedule at the school of graphics and design, one of the best known worldwide in this industry: training courses for the paper industry. Also in 2009 tesa employees offered the teaching units “Cellulose and Paper Technology” and “Processes Used in Paper Production”. In further practical and theoretical courses, students also acquire important knowledge about adhesive tapes for the printing market. In addition, tesa provides printing plate mounting tapes and organizes extracurricular events such as visits to companies. As a result, tesa Brazil often facilitates the initial contact between students and the paper industry.

Germany

Active promotion of junior management talent

tesa SE remained an active supporter of the Northern Institute of Technology (NIT) in 2009. In a two-year dual-track graduate program, students at NIT can earn an MBA in Technology Management and a Master of Science degree at the same time. Each student in this internationally oriented curriculum is required to have perfect English skills as well as a completed engineering degree and initial professional experience. tesa supports the NIT by awarding scholarships, providing practical instruction units and internships, and assigning topics for degree theses. In addition, one tesa HR manager is actively participating in the NIT industry advisory board, thereby promoting targeted cooperation

between academic institutions and the industrial sector. And depending on current vacancies, graduates also have the opportunity to start an international career at tesa.

Switzerland

Promotion of training and continuing education at tesa Bandfix AG

As one of the currently 17 members of the “Sponsorengruppe für die Weiterbildung im Maler- und Gipsgewerbe” (Sponsor Group for Continuing Education in the Painting and Plastering Trades), tesa Bandfix AG supports selected schools and workshops in Switzerland. The association, which was founded back in 2000, focuses on providing ideas and funding to support specific course programs aimed primarily at foremen and certified master craftsmen in the trades of painting and plastering. In addition, tesa Bandfix AG expanded its commitment to training painters and flexo print specialists in 2009. In various cities in Switzerland, a tesa employee volunteers to provide instruction on topics such as adhesive technology and applications engineering or the theory and practice of mounting printing plates.

Support for Institutions for Sick and Socially Disadvantaged Children



Improving opportunities – With scholarships, sponsorships, and volunteer work, we are committed to helping disadvantaged children and young people.

China

Sponsorships and volunteering

At the Shanghai Children's Welfare House, sick and disabled orphans find a new home. tesa Shanghai maintains sponsorships for ten of these children. The tesa employees' commitment to the facility also includes a volunteering program. The program involves regular visits to the residence that focus on shared play, singing, and reading with the children. Employees also use events such as tesa family days and Christmas parties to brighten the boys and girls' everyday lives, including by collecting monetary donations, toys, clothing, and books.

Colombia

Sponsorships for socially disadvantaged children

Children with developmental disorders, especially autism, receive therapeutic care at the completely privately financed Centro Internacional de Investigación Clínico-Psicológico María Eugenia Colmenares (María Eugenia Colmenares International Clinical Psychological Research Center). Through targeted sponsorships, tesa Colombia supports those children whose parents cannot afford the fees on their own. The goal of the center is to provide the children, who range in age from three months to 12 years, with clear guidance, focusing on developing their abilities to learn autonomously, play with peers, and deal with fears and aggression. Within just a few years, this approach is intended to help children stabilize their personalities to such an extent that they can attend conventional schools and get by in everyday life.

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