

# OUR RESPONSIBILITY – OUR COMMITMENT

Sustainability Report 2019 of the tesa Group

p.3 Foreword
--------------

- p. 4 About This Report
- p. 5 The tesa Business Model
- p.7 Our Responsibility

#### p. 13 COMPLIANCE

- p. 14 tesa Code of Conduct
- p. 14 Compliance Management System
- p. 16 Prevention of Anticompetitive Practices
- p. 17 Corruption Prevention
- p. 17 Data Protection

#### p. 18 **EMPLOYEES**

- p. 19 Internal Succession
- p. 22 Occupational Safety
- p. 26 Good Leadership
- p. 27 Training, Development and Support
- p. 29 Feedback and Dialogue
- p. 31 Occupational Health Management

#### p. 32 ENVIRONMENT

- p. 34 Climate Protection and CO<sub>2</sub> Emissions
- p. 38 Efficient Use of Resources
- p. 41 Responsible Use of Water

#### p. 42 **PRODUCT RESPONSIBILITY**

- p. 43 Responsibility in the Supply Chain
- p. 44 Product Safety
- p. 46 Enabling Sustainability for Customers

#### p. 50 SOCIAL COMMITMENT AND INVOLVEMENT

- p. 51 tesa helps: Being There for Others as a Good Neighbor
- p. 52 tesa donates: Uncomplicated Help for Social Projects
- p. 54 tesa supports: Recruiting the Next Generation of Employees
- p. 55 tesa protects: Working to Protect the Environment

**Title:** The complex design of modern smartphones makes it difficult to disassemble them. tesa® Bond & Detach products contribute to extending the useful life of the devices on the one hand and to improving their recyclability on the other hand (see p. 47).

# Dear readers,

For a long time now, tesa has seen success as more than just improving business results and growing in our focus markets – we have also measured the success of our company based on our ecological and social performance for many years. We seek to improve both metrics of success similarly and on a continuous basis. In order to achieve this, we have made sustainability into a supporting pillar of our new business strategy.

In the process, we keep an eye not only on ourselves but always also on our customers: By offering them innovative, holistic solutions that make their processes more efficient, their products better and their projects more successful, we are also able to actively support the sustainability goals of our customers in many ways. For example, with our applications we contribute to the development of sustainable technologies such as e-mobility, lightweight construction or wind power. We are proud of that.

At the same time, we are boosting our activities to protect the climate and environment. We can only actively contribute to fighting such global challenges as climate change, growing waste generation and resource scarcity by continuously reducing our own ecological footprint.

In 2019 we made renewed progress on our path to sustainable business operations: We were able to reduce our CO<sub>2</sub> emissions per ton of end product again by almost two percentage points according to the locationbased method. We also continued to improve the safety of our employees: The frequency of accidents with more than three lost days was 1.6 per million working hours worldwide in 2019 - again below the previous year's figure. Both statistics are evidence that our management systems are effective. Part of our understanding of sustainability involves looking beyond our company boundaries. Therefore, I am very pleased that so many employees in the previous year committed themselves to work on social projects worldwide and were able to make a positive contribution in the areas surrounding their sites.

In 2019 our good sustainability performance received official recognition: We participated in the EcoVadis sus-



tainability ratings for the first time and won a silver medal for our sustainability efforts, which exceeded the average for the industry. It is our ambition in the coming years not only to maintain but also to improve on this result with targeted measures and transparent reporting.

Many decisions that we make as corporate management have a global impact. Therefore, it is important to us to align our actions with overarching guidelines. We feel particularly committed to the principles of the Global Compact, of which we have been a member since 2006, as well as to the 2030 Agenda for Sustainable Development of the United Nations. Beyond the legal requirements, we publish an annual sustainability report in order to transparently illustrate where we stand and how we intend to make progress.

This year as well, we owe our progress to the tremendous commitment and skill sets of our employees. On behalf of the entire Executive Board, I would like to take this opportunity to sincerely thank you for your efforts.

You can read what this progress looks like in our current sustainability report. I hope you enjoy reading it.

Dr. Norman Goldberg CEO of tesa SE

# **ABOUT THIS REPORT**

With this sustainability report we provide our stakeholders and the public with insight into our worldwide commitment as well as the economic, ecological and social impact of our corporate operations in 2019. The focus here is on the responsibility that tesa assumes globally as an international company. On the following pages we summarize our management approaches, our significant measures, results and key figures, divided into the five fields of:

- Compliance
- Employees
- Environment
- Product responsibility
- Social commitment and involvement

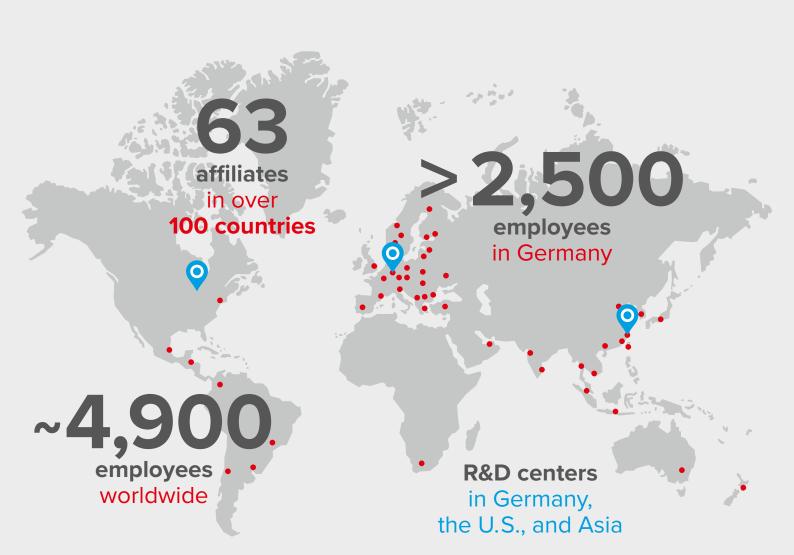
This report is limited to an exemplary, but representative selection of current initiatives that we are implementing at our affiliates worldwide. It focuses both on those topics and areas that are of material importance to our business and those that have a major impact on our business activities. In 2017 we determined the essential topics relevant for this in a "materiality analysis." These topics remain valid in the 2019 reporting year and are: "prevention of anticompetitive practices," "internal succession," "occupational safety," "climate protection and CO<sub>2</sub> emissions," "human rights in the supply chain" as well as "product safety." A new materiality analysis is planned for the 2020 reporting year.

# UN Global Compact and CSR Directive Implementation Act

With this report we meet our annual obligation to inform the Global Compact of the United Nations about our progress. As a participant in the Global Compact, tesa commits itself to observe ten universal principles in the areas of human rights, labor standards, environmental protection and corruption prevention. In accordance with the German CSR Directive Implementation Act, our parent company, Beiersdorf, is obligated to supplement the existing financial reporting with information on key non-financial aspects of business activities. We have integrated the non-financial information on tesa, which is part of the non-financial group declaration of Beiersdorf, into this sustainability report. This data is shown in brackets indicating the page or paragraph.

# **Editorial Notes and Further Information**

This report is available in German and English. The German version is authoritative. Like all of the versions published in previous years, it is available online at www.tesa.de/verantwortung or www.tesa.com/ responsibility.



# THE tesa BUSINESS MODEL

tesa is one of the world's leading manufacturers of technical adhesive tapes and adhesive system solutions for industrial and commercial customers as well as consumers. Our more than 7,000 products find applications in various industrial areas, such as the automotive industry, the electronics industry, the construction supply industry and the print and paper industry. In the consumer and craftsmen market, our products make life easier – both at home and at work. In addition, tesa works with the pharmaceutical industry to develop and produce medical patches and films.

# The Group and Its Affiliates Worldwide

tesa SE has been a wholly owned subsidiary of Beiersdorf AG since 2001. tesa has 4,926 employees worldwide (December 31, 2019) and operates in more than 100 countries with 63 affiliates. Applications for various industry sectors account for about three-quarters of the tesa Group's sales (2019: 1,378.7 million euros).

tesa operates worldwide with a focus on Europe, followed by the regions of Africa, Asia, Australia and America. In addition to tesa SE, the affiliates in China, the United States, Italy and Singapore are among the largest single companies in the tesa Group. We have production facilities in Europe (Germany and Italy), the United States and Asia (China). The company headquarters, which include an integrated research and technology center, have been located in Norderstedt, near Hamburg, Germany, since 2015.

## **Strategic Alignment**

Reliable quality, excellent service, a high degree of innovative capacity and the use of superior technologies are core elements of tesa's brand philosophy and success. Our actions are focused on the goal of increasing the value of the tesa Group in the interests of our employees, customers and shareholders through the profitable sale of useful products. Our highly qualified employees and continuously optimized business processes allow us to respond quickly and flexibly to changes in the markets and develop a broad range of high-quality, demand-driven products. In addition, our knowledge of production processes and the ongoing analysis of current trends and developments in the industry give our company a competitive edge and ensure its lasting success.

Assuming corporate responsibility is an important element of our business processes: Accordingly, taking social and ecological aspects along the entire value chain into account is an integral part of our corporate culture and our core business principles. With an eye to ensuring good, responsible corporate management, we have developed internal standards, such as the tesa Code of Conduct (see p. 14) and our environmental guidelines, and we emphasize compliance with these rules across the entire Group. With the Code of Conduct for Suppliers (see p. 43), we also obligate our key business partners to comply with our sustainability standards.

# Solutions and Products for Industry, Trade and Consumers

Our business is divided into two segments: In the Direct Industries division, tesa supplies specialized system solutions directly to industrial customers. In the process, we offer our customers effective solutions, high-quality products and excellent service for the automotive, electronics, construction, health, transportation and print and paper industries. Our products are also applied in the area of renewable energies and in the household appliances sector. We generate more than half of sales in this division.

The Trade Markets division deals with the markets in which customers obtain their products not directly from tesa, but via retail partners or similar channels. In addition to product ranges for private consumers and craftsmen, they also include adhesive tapes that are intended for industrial and commercial customers. They are marketed primarily via technical retailers.

The tesa headquarters, which include an integrated research and technology center, have been located in Norderstedt, near Hamburg, Germany, since 2015.

# **OUR RESPONSIBILITY**

Growth and economic success at tesa are inseparably linked with corporate responsibility. In aligning our business activities with sustainability, we see a tremendous opportunity. Nevertheless, global challenges such as climate change, resource scarcity and profound social transformations such as demographic change demonstrate that it is necessary to harmonize social, ecological and economic concerns. porate values and business processes with tesa Corpo rate Values and the tesa Code of Conduct (see p. 14).
 Furthermore, in 2018 we made a clear commitment to the 17 Sustainable Development Goals (SDGs) of the

United Nations.

## **Our Corporate Values**

Particularly as a company that operates internationally, we are required to assume responsibility and to align our business processes with a sustainable economy. Accordingly, we assume responsibility at all stages of our value chain, from the procurement of raw materials to recycling, and we also require that our suppliers manage their businesses responsibly. In order to make this attitude clear and understandable for all employees across the Group, we have established the tesa Corporate Values. They are regularly checked for their relevance and were most recently revised in 2017. The corporate values are accessible to all employees on the intranet and create a common vision of how we understand sustainability. In addition, they may be accessed on our corporate website at recent www.tesa.com.

We have firmly anchored this understanding in our cor-

# Guidelines for our Actions: Global Compact Principles and SDGs

We have been a member of the Global Compact of the United Nations since 2006. Our membership underscores our commitment to upholding internationally recognized social and environmental standards in our business activities. The ten Global Compact principles in the areas of human rights, labor standards, environmental protection and anti-corruption form the overarching guidelines for our actions.

In 2018 we also reaffirmed our goal to make our contribution to the 17 Sustainable Development Goals of the United Nations. The SDGs constitute the core of the 2030 Agenda, a global action plan for sustainable development. They represent an important orientation framework for our work on sustainability. For along with

#### tesa Corporate Values

- Our actions are guided by our customers' satisfaction with the performance and quality of our products and with our service.
- We take a proactive stance toward shaping our future and see change as an opportunity. Innovations in technology, processes and products are the basis for future growth.
- Our employees' motivation, expertise and efficiency ensure our long-term success.
- Through a sustainable increase in the value of our company, we secure the satisfaction of shareholders so that they continue to invest in our company, thereby safeguarding jobs.
- We are committed to the implementation of the principles of the Global Compact, which encompasses the observance of human rights and labor rights, the protection of the environment and the battle against corruption.
- We assume social responsibility. Our main focus is on supporting young people in natural sciences and engineering, protecting the environment and running social projects near our sites.

politics and civil society, we as companies are urged to do our part to achieve the SDGs. In order to define as precisely as possible to which SDGs we can contribute with our activities and products, we have carried out a comparison with the 169 SDG targets. The result can be found in the following index. We also include symbols at the start of every chapter to indicate to which SDGs we are contributing with the activities described in the respective chapter.

# We contribute to the following SDGs and their corresponding targets:

SDG No.	SDG targets	Our contribution	Information in tesa sustainability report	
5 EQUALITY	<b>5.5:</b> Ensure the full and effective participation of women and their equal opportunity to assume leadership roles at all levels of the decision-making process in political, economic and public life	tesa has been a member of the UN Global Compact since 2006. The ten principles in the areas of human rights, labor standards, environmental pro- tection and anti-corruption also represent the over- arching guidelines for all actions at tesa. With our membership, we have committed ourselves to Principle 6, "The elimination of discrimination in respect of employment and occupation", and reject any form of discrimination in the workplace or in the filling of positions.	Guidelines for our Actions: Global Com- pact Principles and SDGs, p. 8 Training, develop- ment and support, pp. 27–29	
AFORDABLE AND CLEAN DURREY	<b>7.3:</b> To double the worldwide growth rate of energy efficiency by 2030	tesa's headquarters as well as seven of our pro- duction facilities have an ISO 14001-certified envi- ronmental management system. In addition, two production facilities and tesa's headquarters have an ISO 50001-certified energy management system. The introduction of the energy management sys- tems paved the way for further increasing the energy efficiency of our facilities. Another strategic approach for tesa is the use of energy and resource- saving technologies. This includes the efficient generation of our own energy through cogeneration. Obtaining electricity from renewable sources also represents an important lever for the reduction of $CO_2$ emissions.	Climate protection and CO <sub>2</sub> emissions, pp. 34–37	
8 DECENT WORK AND ECONOMIC GROWTH	<b>8.4:</b> To improve worldwide resource efficiency in consumption and production step-by-step by 2030 and to pursue the decoupling of economic growth and environmental destruction in accordance with the ten-year framework of programs for sustainable consumption and production patterns, whereby the developed countries assume leadership	Our products should be as harmless as possible to the environment over their entire life cycle. During development and manufacturing we take care to ensure resource efficiency and to avoid production waste as much as possible. Measures to this end are an integral part of our environmental protection activities as a company. Wherever possible and sensible we use renewable and recycled raw mate- rials. The reduction and avoidance of packaging materials also helps to minimize waste and thereby the negative impact on the environment.	Efficient use of resources, pp. 38–40	
	<b>8.8:</b> To protect labor rights and to promote safe working environments for all employees, including migrant workers, particularly female migrant workers, and people in precarious employment situations	As a responsible employer, we see it as our duty to protect our employees from risks and hazards in the exercise of their activities. With a wide range of measures, we contribute to preventing or minimiz- ing accidents and occupational illnesses.	Occupational safety, pp. 22–25, occupa- tional health manage- ment, p. 31	

SDG No.	SDG targets	Our contribution	Information in tesa sustainability report	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	<b>12.2:</b> To achieve the sustainable management and efficient use of natural resources by 2030	tesa develops ecofriendly, solvent-free production methods, and uses renewable and recycled raw materials wherever possible and sensible. We take care to ensure resource efficiency and avoid pro- duction waste from the early stages of developing our products and the methods used to produce them. Measures to this end are an integral part of our environmental protection activities as a company.	Efficient use of resources, pp. 38–40	
	<b>12.4:</b> To achieve the environmentally sound use of chemicals and all waste during their entire life cycle by 2020 in accordance with the internationally agreed upon framework rules and to reduce their release into air, water and soil substantially in order to limit as much as possible their deleterious impact on human health and the environment	There is no way to eliminate all waste when produc- ing goods. Our waste and raw materials manage- ment activities are geared toward using materials efficiently and recycling wherever possible. There- fore, we constantly work on minimizing production- related losses in the raw materials we use. tesa recycles almost all non-hazardous waste and haz- ardous waste containing solvents.		
	<b>12.5:</b> To reduce waste volume significantly by 2030 through prevention, mitigation, recycling and reuse	We have set ourselves the goal of reducing specific waste volume per metric ton of end product by the year 2020 by another two percentage points from the 2015 reference year.		
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	<b>16.5:</b> To reduce corruption and bribery significantly in all their forms	We reject any form of corruption, bribery or other forms of unlawful conduct. Corruption prevention is one of tesa's Core Compliance Fields and plays a central role in the Compliance Management System. The main goal is to avoid possible cases of corruption before they arise. Our Group-wide anti-corruption guidelines instruct our employees on proper conduct and explain how employees should conduct themselves in corresponding situations.	Compliance, pp. 13–17	

# Strategic Action Fields

In order to live up to our corporate responsibility regarding the management of our company, we are working on four strategic action fields: employees, products, the environment and society. In each of them we establish priorities and check their relevance regularly. The topics that we have identified as material are currently the following: "prevention of anticompetitive practices," "internal succession," "occupational safety," "climate protection and CO<sub>2</sub> emissions," "human rights in the supply chain" as well as "product safety." These topics were identified and evaluated in 2017 as part of a materiality analysis with representatives of relevant units at tesa (see right), the Group parent company, Beiersdorf, as well as other relevant stakeholders. The analysis is carried out every two to three years alongside the materiality process of the parent company, Beiersdorf, and is expected to be carried out again in 2020.

In addition, during the reporting year we began to work on a sustainability agenda as part of the new business strategy that will apply starting in 2020. It should map our activities along the entire value chain even more systematically: from raw materials and the supply chain through production and our employees all the way to the reduction of our environmental footprint as well as to worldwide support for social initiatives and projects. In addition, this will also be accompanied by new priorities and initiatives as well as updated objectives. In the next fiscal year, we will report on the new developments more extensively.

## **Organizational Structure**

The tesa Executive Board has articulated an express commitment to tesa's corporate responsibility. At its instigation, responsibility was established as a task that cuts across all areas within the Group. All of the relevant units are involved, which ensures there is a direct link between these efforts and our business activities and key business processes. The following units are involved in steering these activities and are responsible for operational implementation:



- Legal & Compliance
- Purchasing Network
- Human Resources
- · Safety & Health, Environmental, Quality Management
- Corporate Communications

Representatives of these units meet on selected dates, coordinate the dialogue between the units and reporting on non-financial topics. In addition, we engage in regular dialogue with our parent company, Beiersdorf, and coordinate our activities with each other.

## **Risk Management**

Success-oriented and responsible activities include the Group-wide, integrated management of risks and opportunities. Risks are identified and managed in a structured process. In the course of these activities, we assess operational, functional, and strategic risks with an eye to their possible financial impact and effects on our reputation as well as their probability of occurrence. Our compliance management team uses the same criteria in a separate process (compliance risk assessment) to identify and assess the relevant risks we may face as a result of non-compliance with external regulations and internal standards. In addition, there is a standardized process for risks that can arise in connection with our material non-financial topics. We considered all nonfinancial topics that are material for tesa and interviewed all relevant units about their risk assessment. The result was reviewed following the risk management process.

In the process, no risks were identified that need to be reported in accordance with the guidelines of the German CSR Directive Implementation Act.

# **Ratings and Awards**

Since 2014 tesa has participated in CDP, which gathers and evaluates qualitative and quantitative information on the topics of climate change, water and forests. The continuous reduction of  $CO_2$  emissions as well as the implementation of measures to protect the climate and environment at the ISO-14001 certified sites are having an impact: In 2019 tesa was awarded a B rating in the area of climate.

In 2019 tesa participated in the EcoVadis sustainability ratings for the first time. EcoVadis is a sustainability measurement platform for global procurement chains and evaluates corporate principles, measures and results in the topic areas of the environment, labor practices and human rights, ethics as well as responsible procurement. tesa was awarded a silver medal.



With a CDP rating of B, tesa is above the industry average.

Five avatars guide participants through the compliance e-learning program.

# COMPLIANCE

 $\equiv$ 

WILLKOMMEN

IHR CHIEF FINANCIAL OFFICER

tesa

Our contribution

Punkte 625 | 1480

We will continue to be a trustworthy partner to our customers, shareholders, business partners and employees and to government agencies, institutions and the public. Compliance with all laws and regulations that apply to tesa is therefore particularly important. Compliance violations can be not only expensive, but also damaging, particularly to the company's reputation. As a result, all employees, managers and corporate bodies are required to abide by clear specifications that have been set down in writing. Compliance with these specifications is monitored and verified regularly through audits and supported by activities such as advising, training sessions, supplementary measures and targeted programs. In this context, the goal is to raise awareness among relevant employees about related issues and to teach them how to act appropriately and make reliable decisions.

## tesa Code of Conduct

The tesa Code of Conduct (CoC) is derived from the ten principles of the UN Global Compact and serves as an overarching, binding code of conduct for all employees. We use this to support our employees, managers and corporate bodies in observing the key principles and values of our company in their day-to-day work, gearing their conduct toward them and sharing them with others.

New employees receive the CoC on their first day at work by email. In addition, it is available to employees and managers on the intranet at any time. Compliance with the tesa Code of Conduct as well as all governance and compliance guidelines is an essential prerequisite for being a member of the tesa Group.

The CoC is regularly checked for its relevance and appropriateness and is adjusted if necessary. In 2019 we began to revise the CoC. This process, including new training, is expected to be completed in 2020.

# Compliance Management System

With our Compliance Management System (CMS) we want to ensure that all tesa employees, managers and bodies comply with applicable legal provisions and internal rules in their day-to-day work. In order to achieve this goal, we follow an orderly management process. It encompasses the four steps of prevent, detect, react and improve.

Also in 2019, we revised and updated the tesa CMS. In the process, we reviewed our mandatory governance and compliance guidelines with respect to their practicality and acceptance and adjusted them where necessary. We are taking dynamic changes in the legal and economic environment into account in this update.

In addition, during the reporting period we undertook a comprehensive description of our CMS, which documents its conceptual framework consistent with the Institute of Public Auditors in Germany (IDW) audit standard 980, its minimum provisions and scope. We also set new compliance goals (see infobox, p. 15) for ourselves. Furthermore, the tesa Executive Board passed a new Compliance Statement.

As in previous years, the focus and key tenets of our compliance program entail the compliance fields of antitrust, anti-corruption and data protection.

The tesa Corporate Compliance Officer is responsible for ensuring legal conformity in the core compliance fields in the best possible way and enhancing the entire system, taking into account the corporate strategy as well as the constantly evolving legal environment in the international context.

In the local tesa affiliates, the general managers responsible for the respective departments are simultaneously compliance officers. They are supported in their activities by formally designated local compliance officers. The local and corporate compliance managers are responsible for the operational implementation and refinement of the tesa compliance standards throughout the Group.

#### The tesa compliance goals are:

- 1. The alignment, integration and continuous adjustment of a Compliance Management System that is tailored to tesa's business models.
- 2. Compliance with legal and regulatory requirements relevant to tesa as well as the optimal fulfillment of mandatory requirements imposed by the parent company Beiersdorf AG.
- **3.** Protection of tesa's assets, maintenance of the trust of stakeholders, customers and suppliers as well as the reduction of liability risks.
- **4.** Promotion of sustainable business activities within the context of legal and documentary requirements, at maximum efficiency.
- Creation of added value for business development by promoting reliable conduct and decision-making, taking into account constantly changing conditions.

Our reporting system is another important component of the tesa CMS. tesa has implemented both internal and external reporting options through ombudsmen to make it easier to report compliance violations. We use this system to pursue all hints, clarify the relevant issues and take appropriate measures after carefully weighing and considering the principle of proportionality. **5 e-Learning courses** for the core compliance areas were rolled out worldwide in 2019.

#### **Measures and Results**

#### **Communication and Training Activities**

We anchor the compliance principles within the company through routine communication and training activities. For example, our employees find tips, guidelines, processes and competent points of contact for their day-to-day business dealings on our own intranet-based compliance platform. We also use this platform to provide information on relevant legal developments in relation to tesa's day-to-day activities. Our own glossary enables us to achieve a high degree of understandability in this general context.

In addition, we have developed a governance calendar, which is sent to all tesa affiliates along with the quarterly governance newsletter. It supports planning by the local organizations and provides information about material new developments in CMS and the compliance fields.

In 2019 we were also able to roll out the newly developed compliance e-learning program, which is comprised of individual e-learning courses for the three core compliance fields of antitrust, anti-corruption and data protection, to all colleagues with a PC workstation. These e-learning courses are available in tesa's main languages of English, German, Spanish and Chinese.

#### Audits

The Internal Audit department (Beiersdorf AG) conducts routine audits during which compliance-related topics are also reviewed. The audit questions in the area of compliance are checked annually for their relevance.

# Prevention of Anticompetitive Practices

Also in 2019 we analyzed and evaluated the existing and future compliance risks of our business models. The resulting materiality analysis has confirmed our classification of the topic of antitrust law as the most important core compliance field.

#### **Management Approach**

Many years ago, we successfully introduced the tesa Antitrust Compliance Program throughout the Group. It is an important element of our overall program and has been refined continuously since then. It provides information and training on relevant content in antitrust law and advises on potential risks. It also encompasses the regular review of the program's implementation and evaluation of risks.

The international antitrust compliance guideline is an important component of the program. It establishes general conditions and minimum standards in the antitrust core compliance field and makes initial recommendations for action.



The target group of the antitrust compliance program includes employees with access to information sensitive to competition or contact with competitors and managers.

In case of questions regarding this compliance field, the antitrust compliance expert, the local compliance managers and the antitrust compliance network counsel are available. The antitrust compliance network is comprised of external network attorneys specialized in antitrust law who act as regular points of contact for local affiliates lacking their own legal function.

#### **Measures and Results**

#### **Internal Guidelines**

In 2019 we implemented our new overarching antitrust compliance guideline, which we initially introduced at the German sites in 2018, at the international affiliates as well.

#### **Training Courses**

At the beginning of 2019, the new e-learning module on the topic of antitrust was rolled out worldwide to all relevant employees and managers.

During the 2019 reporting year, we invited 3,166 employees in 42 countries and 54 affiliates to participate in this e-learning course. The rate of successful participation was 99 percent (global<sup>1</sup>). In addition, we hold on-site training sessions in regions where there is particular risk and in selected business units. Furthermore, we offer individualized advice on issues of antitrust law during ongoing operations, and many take advantage of this option.

#### Antitrust Compliance Network Counsel

During the reporting period, we redesigned our international antitrust compliance network counsel. The antitrust compliance network was augmented by additional countries. In addition, a framework cooperation agreement was arranged with an international corporate law firm.

1 The participation rate refers to the target and risk group that was defined in advance for this core compliance field. This group includes all employees and managers who may come into contact with antitrust-related topics and requirements.

## **Corruption Prevention**

Anti-corruption is one of tesa's core compliance fields and plays a key role, after antitrust, in the Compliance Management System. The main goal is to avoid possible cases of corruption before they arise.

#### Management Approach

Our focus is on ongoing efforts to inform and raise the awareness of employees for corruption-related risks as well as activities and situations involving particular risks in day-to-day business dealings.

The Group-wide anti-corruption guideline makes an important contribution to these efforts. It offers guidance to our employees on what to do in case of conflicts of interest, invitations and personal gifts from and to representatives, agents and employees of other companies or office holders and explain how employees should conduct themselves in corresponding situations.

During the reporting period, we revised the existing anti-corruption guideline and transferred it to a new personal gifts guideline, which should be newly implemented next year.

#### **Measures and Results**

The e-learning course, which was redesigned in 2018, covers the topic of anti-corruption as a core compliance field. It is mandatory for all relevant employees, managers and corporate bodies to complete the course every two years. The first training cycle began in 2019
(see p. 15). On-site training on the topic of corruption prevention is held as needed and is conducted by speakers or experts on the issue in question.

### **Data Protection**

The confidential, honest, safe and appropriate handling of the personal information entrusted to us is a high priority for tesa. Given the heightened requirements set down in the EU General Data Protection Regulation (GDPR) and the risk analysis newly performed as a result, the topic of data protection represents a core compliance field again in the reporting period.

#### **Management Approach**

Prevention by raising awareness and through education, increasingly regarding the IT processing of data, is a key focus for us in the area of data protection. We therefore inform employees about the measures we are taking to comply with the GDPR, who the points of contact are and what employees should keep in mind in their day-to-day work. Our Data Protection Compliance Guideline summarizes all valid organizational rules on the topic of data protection and gives employees assistance and instructions for handling data.

#### **Measures and Results**

#### **Information and Training Courses**

Along with events on the topic of data protection, we also use the intranet to keep our employees informed. We offered instruction on the most important contents of the GDPR, for example, by means of a data protection series. In order to explain the requirements of the regulation and its implementation as understandably and true to real-world practice as possible, we address issues that arise from the day-to-day activities of employees and provide information about proper and legally compliant conduct.

Since 2019, there is a new e-learning course on the topic of data protection, which all employees, managers and corporate bodies must complete every two years.

Creating a corporate culture that strengthens performance, teamwork, crossfunctional collaboration and internationalization is an express goal of tesa's human resources strategy.

# **EMPLOYEES**

Our contribution to the SDGs

8 DECENT WORK A

5 GENDER EQUALITY

tesa is an expert in adhesive technology and offers its customers innovative solutions as well as excellent service. The company's success depends to a very large extent on the skills of our employees and their willingness to continue to develop them. Qualified employees, who actively contribute to enhancing our position as one of the world's leading adhesive technology companies, are the key to the successful implementation of our corporate strategy.

This is because customer needs are changing in ever shorter cycles, and the demands on our solutions are increasing due to new technologies and trends or global challenges such as climate change or resource scarcity. We can only meet the expectations of our customers – and exceed them again and again – with committed employees who promote innovations in the area of products and processes.

At the same time, the demands that employees place on us as a company are constantly evolving. Attractiveness as an employer has much more significance today than before. Additional services that the company offers beyond salary are increasing in significance. This includes, for example, such aspects as development opportunities in the company, the topics of occupational safety and health promotion, a thriving culture of feedback and dialogue, and models for reconciling professional and private life.

In Germany, collective bargaining agreements, which are supplemented by site and topic-specific plant agreements, serve as the basis for working time arrangements, but also compensation and bonuses. In other countries in which we operate, site-specific regulations that take into account the local circumstances and features of the respective country apply in addition to local laws.

Our human resources strategy is designed to attract well-qualified and committed employees to our company, retain them and continuously increase our attractiveness as an employer. In addition, our express goal is to promote a corporate culture that strengthens performance, teamwork, cross-functional collaboration and internationalization. Therefore, the focus during the reporting period was on the topics of executive development and career planning.

# Internal Succession

tesa's products are represented in several different markets and industries that each have different requirements, issues and needs. Managing this complexity is no easy task. The skills, knowledge and experience of our employees give us a distinct competitive advantage.

Accordingly, we attach importance to filling key positions from within wherever possible in order to retain their valuable experience and market knowledge, further enhance their expertise and skills, and leverage these capabilities for our long-term success as a company. This approach is also very beneficial to our employees. Without changing companies, they can gain broad knowledge from different areas and obtain attractive promotion and development opportunities.

Consistent with this, we have begun to position our headquarters in Norderstedt more internationally. We are increasingly filling vacant positions there with colleagues who have previously worked for us at sites abroad. Currently the majority of these "impats" come from our growth markets in Asia.

However, in order to remain successful over the long term in the constantly evolving markets, we also need fresh stimuli from outside. Therefore, we also fill selected positions externally, thereby bringing new skill sets – for the topic of digitalization, for example – and expertise to the company.

#### Management Approach

The topic of internal succession is firmly established at the highest level at tesa. Several times a year, the Executive Board holds meetings where the members discuss succession planning and talent management.

The topic is centrally managed by the Human Resources (HR) department. The Succession Planning and Talent Management team, which was established specifically to handle internal succession, bases its work on the tesa Key Competencies. Among the various measures used by the team are development interviews and advisory sessions with employees as well as talent management



Today, attractiveness as an employer is an important competitive factor. Aspects such as development opportunities or a thriving culture of feedback and dialogue play an important role here.

workshops. Furthermore, HR ensures that employees receive regular feedback on their performance from their supervisors. The employees are also invited to provide feedback to their supervisors in this context. As a result, a conversation occurs between the employee and his or her direct supervisor at least once a year.

HR's tasks also include ensuring that information is shared between the regions and the company headquarters. For example, the international HR conference, which is usually held twice a year, promotes this goal. HR also makes suggestions for filling open positions across different units and regions. By doing so, the department plays a key role when it comes to making it easier for future executives to rise within the organization, in the process winning their lasting loyalty to the company. In the period under review, we filled 80 percent of top management positions with internal candidates in this way.

#### **Measures and Results**

#### **Competencies Review**

As part of a competencies review, talented workers are given the opportunity to participate in professionally relevant role playing and exercises – comparable to those of an assessment center. They then receive feedback on their strengths and areas for development with regard to the tesa Key Competencies.

The tesa Key Competencies describe nine core competencies that determine the actions of employees and are intended to ensure the long-term success of the company. Intensive discussions with experienced managers and HR employees give these up-and-coming employees further impetus for their future careers at tesa. The competencies reviews enable us to develop talented workers' skills in a targeted manner, making them candidates for internal succession.

In 2019, a total of five competencies reviews were conducted – two in Germany and one in China, the United States and Thailand, respectively.

#### tesa Key Competencies

- "Set the pace" (initiative)
- "Focus on your customer" (customer and market orientation)
- "Team up" (readiness and ability to work in a team)
- "Achieve & improve" (goal orientation)
- "Challenge yourself" (personal development)
- "Lead to success" (leadership skills)
- "Grow talent" (employee development)
- "See the bigger picture" (conceptual thinking) and
- "Get buy-in" (influence).

The tesa Key Competencies create the basis for human resources work and are used in all HR tools worldwide. They are firmly established, for example, in performance management, in various feedback tools, development and training programs as well as in the recruitment process.

#### tesa "X-perience" Career Path Model

In 2019 we introduced our new career path model (X-perience) at all sites worldwide. The aim of the model is to create a uniform understanding of sensible development and career progression throughout the company. Furthermore, we would like to motivate employees to seek job rotation opportunities not only internationally or functionally, but to actively make cross-functional moves. The introduction of the new model was flanked by an employee campaign.

#### Management Development Program

In 2019 we began to devise a new Management Development Program (MDP). The program is comprised of two components – "Essential" and "Advanced" – and should help executives and managers expand their skill sets and expertise. The "Essential" MDP conveys fundamental knowledge regarding responsibilities, processes and tasks in all business units of the company. "Essential" MDP is implemented in the form of an e-learning course. During the reporting period, "Advanced" MDP was still in the conceptual phase and should be offered for the first time in the first half of 2020. "Advanced" MDP involves traditional classroom training. The previous MDP was held in 2019 for the last time.

# GERMANY

# Gaining new experience – across all boundaries

In the future, employees who think outside the box and take on new tasks in responsible positions will become increasingly important for a company like tesa.

For this reason, the HR department developed the X-perience career path model. It is aimed at all employees and should systematically and specifically promote cross-functional transfers within the company. For example, employees with a high level of product expertise should gain insight into interactions with customers. In order to call attention to the new model, we launched the "X-perience the tesa world" campaign and rolled it out worldwide in 2019. Positions that qualify for cross-functional transfers are advertised as such. X-change Days offer another opportunity for sharing information. The various divisions can introduce themselves and their respective job offerings to interested employees.

# **Occupational Safety**

As a responsible employer, we regard it as our duty to protect our employees from risks and hazards in the exercise of their activities. A safe working environment is the prerequisite for motivated and engaged employees and makes a crucial contribution to productivity and quality – and thereby to customer satisfaction. As a result, we also view occupational safety as an important competitive factor.

We would like to prevent workplace accidents and eliminate work-related health risks and the occupational illnesses they cause before they can arise. Therefore, we prioritize prevention and raising awareness among staff about potential hazards – for their own protection and for the protection of their colleagues. In this connection, systematic occupational safety and effective occupational health and safety management systems (OHSMS) play an important role. We have therefore implemented a wide range of structured measures that serve to prevent and minimize accidents and illness. Our strategic aim is to reduce the number of accidents to zero.

#### Management Approach

Occupational safety is firmly anchored in tesa's organization – it is the focus of formal committees, such as the occupational safety committees that are legally required in Germany.

Besides the legal requirements, our Occupational Safety Guidelines, which apply throughout the group of companies, form the basis for our internal management system in the area of occupational safety. The guidelines are further specified through company-internal requirements and specific operating instructions. The guidelines also apply to sub-contractors, who take on tasks in our production sites.

As part of an annual management review, the company management works with the occupational safety unit to evaluate the accidents that occurred that year. Based on this information, it then takes new steps to further improve employees' safety and reduce work-related health risks. Our occupational safety management activities focus on ISO 14001-certified production facilities - for that is where the risks of accidents and adverse health effects are greater than at our office headquarters. Therefore, we employ our own safety specialists at all ISO 14001-certified sites. They are familiar both with tesa's global occupational safety and health guidelines as well as with local legal requirements and conditions. At the same time, we also take deliberate steps to promote international dialogue among these experts. The safety specialists meet annually to discuss key occupational safety and health risks. They also initiate joint projects, define standards and share information on successes and their experiences as part of these events. This approach contributes toward the continuous improvement of accident prevention measures at tesa.

#### ISO 14001-certified sites

tesa headquarters (Germany) tesa plant Hamburg (Germany) tesa plant Offenburg (Germany) tesa Converting Center (Germany) tesa scribos (Germany) tesa plant Concagno (Italy) tesa plant Suzhou (China) tesa plant Sparta (USA)

At tesa, risk assessments establish the basis for selecting and managing work resources, work procedures, workplaces and work processes in such a way that technical and organizational flaws are avoided and employees can observe safe practices. But changes in machinery, systems, or working premises, new purchases and process adjustments can all have an impact on our employees' safety and health. Therefore, for example, safety-related testing and acceptance as well as systematic hazard identification and risk assessment – with the involvement of expert employees – are carried out



It is particularly important for employees in production, but also in the laboratories, to wear the proper protective equipment or suitable work clothing consistently.

at the time of the procurement and commissioning of equipment. If we recognize a safety risk in this connection, we take suitable avoidance and corrective measures. Furthermore, occupational safety committees, employee representatives as well as management discuss the material results of the evaluation and define satisfactory measures.

In addition, routine inspections and evaluations take place. We take into account the new findings, determine additional measures if necessary and update the relevant occupational safety and health documents.

The handling of hazardous substances is also regulated in detail. The occupational safety unit, together with the product safety unit and responsible figures from research and development and production, creates a corresponding structure for tesa-specific processes on the handling, labeling, storage and transport of hazardous substances. Employee groups who work with certain hazardous substances undergo routine, mandatory health examinations. In addition, equipment and jobs are routinely monitored for their safety and emission sources. The procedure in case of an accident is governed by emergency management. However, the responsible and proactive actions of our employees play a major role in minimizing risk. Therefore, the occupational safety guidelines require that employees are informed about, and made aware of, safety risks and potential hazards through instructions and training programs at routine intervals. This should enable them to prevent accidents through proper, independent conduct.

In addition, the campaign "It's in your hands! Always wear your safety gear" helps to raise the awareness of employees both in production and in the laboratories regarding the importance of consistently wearing the proper protective equipment or suitable work clothing (see p. 24).

However, should a work accident occur despite all the preventive measures, we will conduct an investigation. In the process, we determine the technical, organizational and personal causes for the accident. Ultimately, appropriate accident preventive measures will help us to avoid a similar incident from occurring in the future.

#### **Measures and Results**

#### **Double Prevention Program**

In the Chinese plant, we implemented the "Double Prevention Program" in 2019. Step one involves the analysis of safety and health hazards in the workplace. In step two we determine hidden risks and take corresponding corrective measures. The program should primarily raise the awareness of our employees that hazards are not always obvious. The plant has a risk map that indicates the risk for each department. We also indicate the risks and the precautionary measures to be taken in the work areas.

#### Campaigns

In 2019 the "It's in your hands! Always wear your safety gear" campaign for wearing personal protective equipment was rolled out worldwide. As part of this campaign, events and meetings were held in the plants on various topics such as hearing protection and protective eye gear, in part with the participation of the personal protective equipment manufacturer. In addition, a "safety month" was observed in China with various activities designed to increase awareness for the topic of occupational safety.

#### **Fire Safety**

During the reporting year we implemented measures again within the framework of the 2020 fire protection

**1.6** per 1 million hours worked – the accident frequency rate > 3 days at tesa in 2019 was therefore well below the industry average in Germany (BG RCI).

scheme. The focus here was also on prevention. For example, in the Offenburg tesa plant a fire protection day was held with practical extinguisher training.

#### Safety Tour App

Since 2019, a documentation app has made it easier for us to conduct our SOC (safety, order, cleanliness) walkabout inspections. With the involvement of safety experts, tesa developed the "safety tour app," with which the user can enter relevant issues directly into a tablet. As a result, written notes no longer need to be transferred to Excel – this is less error-prone and saves time. Besides the simple entry of data and images,

#### **Occupational safety key figures**

	unit	2017	2018	2019
Work accidents ≥ 1 day	number	14	21	22
Accident frequency rate ≥ 1 day	number/million hours worked	2.9	4.1	4.3
Lost days ≥1 day	number	261	445 <sup>1</sup>	173
Lost day rate ≥1 day	number/million hours worked	54.6	86.31	33.6
Work accidents > 3 days	number	6	10	8
Accident frequency rate > 3 days	number/million hours worked	1.3	1.9	1.6

1 Adjustment compared to previous year

topics can be prioritized, selected, and better archived using a traffic light system. An integrated checklist ensures that no issue is overlooked during the tour. Initially, we introduced the new digital solution in a test phase in the Norderstedt headquarters. The worldwide rollout will begin in the first quarter of 2020 at the production facilities in Offenburg, Hamburg, Italy, China and the USA.

#### **Performance Indicator**

Our aim is to continuously reduce the number of accidents with one or more days of absence. This particularly involves accidents resulting in longer incapacity to work, when the employee is absent for more than three days. The frequency of accidents > 3 days at tesa in 2019 was 1.6 per million hours worked globally. This was below the previous year's figure (1.9 in 2018), and therefore well below the German industry average (BG RCI) of 11.7. We view this as proof of the quality of our management system in the area of occupational safety.

In addition, tesa monitors the lost day rate, measured in calendar days per million hours worked, at each site. The lost day rate in 2019 was at a very low level, demonstrating that we were able to significantly reduce the number of serious work accidents with the help of our management systems.

# ISO 45001 Certification

The Concagno plant in Italy, one of the largest tesa production facilities, was certified successfully in 2018 for the first time in accordance with ISO 45001:2018.

The standard is one of the best-known and most important standards for management systems in the area of occupational safety. The certification was confirmed through a successful follow-up audit in 2019.

In 2019, we committed ourselves to having our occupational safety management system certified at one of our German production sites as well as in the research and technology center at the headquarters in Norderstedt.

The first step is the evaluation of the tesa research and technology center for the "Sicher mit System" seal of approval of the professional association of raw materials and chemical industry (BG RCI) in 2020. The second step will be the evaluation of the production site in 2021.

## **Good Leadership**

For a technology company like tesa, it is important that the company and employees can constantly expand their capabilities and adapt to new circumstances. An essential prerequisite for this is that the corporate culture and the working environment are structured in such a way that they motivate employees to be creative and innovative and to support the implementation of new ideas.

Good leadership is decisive in this context: It helps to create a positive workplace environment and working conditions that encourage performance, an environment in which employees can realize their potential, gain recognition and be promoted. In addition, we are convinced that leadership makes a significant contribution to winning the loyalty of engaged and well-trained employees to the company and reducing turnover.

A common vision, clear-cut values and uniform management guidelines are essential to achieving this. They help executives manage and encourage their employees so that the company as a whole advances and the corporate goals are achieved. This ambition is reflected in the tesa Key Competencies (see p. 20). Four of the nine key competencies relate to the topics of leadership and management.

> 4 out of 9 tesa key competencies relate to the topics of leadership and management.

#### Management Approach

Executive development at tesa is anchored in the area of training and learning in the Human Resources (HR) unit and is managed from there. The understanding of management at tesa is based on the Flow Leadership Model. It makes use of positive psychology and calls for a work atmosphere in which employees enjoy what they are doing and reach a "flow" state, a sense of energized focus, of complete involvement and success. According to the model, this type of work atmosphere leads to feelings of happiness and heightens the motivation, commitment and performance of the employees. Accordingly, the model helps to increase employees' satisfaction and makes them feel more connected to the company.

A three-stage Leadership Development Program lies at the heart of executive development at tesa. The program is gradually being introduced in all tesa regions. In contrast to the Management Development Program, which specifically provides training in management skills, the focus here is on building and refining leadership qualities. The leadership training consists of the Matrix, Essential and Advanced Leadership modules. The Matrix Leadership module takes into account tesa's matrix organizational structure and is open to all employees who do not have the authority to issue orders but have, for example, responsibility in the context of projects. The Essential Leadership module can be taken by executives who have assumed responsibility over personnel at tesa for the first time. Above all this module should sharpen the understanding of one's role as a manager in this situation. Topics such as communication and feedback and approaches for situational leadership and team development play an important role in this. Employees in the plants have the opportunity to complete the Leadership Basics for Operations module. As part of this, plant-specific challenges are considered. The Advanced Leadership Program is designed for employees who have already held leadership responsibility for a while. It includes topics such as dealing with difficult management situations, employee development and coaching as a leadership tool.



The qualification programs are tailored to the requirements of individual business units. The Sales & Marketing qualification program, for example, combines technical training and sales skills.

#### **Measures and Results**

#### **Matrix Leadership**

After a pilot phase in 2018, the various training units of the module were offered a total of six times in 2019 at the company headquarters. In addition, each training program was held once in English in order to enable employees from other regions to participate. A total of 57 employees took part in one of the training units in 2019.

#### **Essential Leadership**

In 2019 a total of eleven training cycles with 110 participants were held for the Essential Leadership module. At company headquarters we also held short events on traditional executive duties, for example on conducting performance appraisals, the topic of salary development or labor law issues.

#### **Advanced Leadership**

With the Advanced Leadership module we would like to give experienced executives the opportunity to deal with challenging leadership situations under professional guidance. In 2019, 46 executives from the regions of Germany, Europe, Greater China, Asia/Pacific and North America participated in five training cycles of the module.

# Training, Development and Support

The competition for employees from the natural sciences and engineering is constantly increasing within our industry. In addition, advancing digitalization and internationalization are leading to changes in working requirements and methods. At the same time we want to continue responding to changing customer needs and offer our customers outstanding products, innovative solutions and the best service.

We are adjusting to these challenges with our comprehensive initial and advanced training programs that are specially tailored to our requirements. After all, highly qualified, engaged and performance-oriented employees are a decisive competitive advantage for us. In addition, having a wide range of initial and advanced training opportunities increases our attractiveness as an employer and contributes to the willingness of highpotential employees to work for us for a long time.

#### Management Approach

In order to respond suitably to the challenges of the labor market and the competitive environment, we have developed tesa-specific training. It helps young people gain entry into the working world and gives us the opportunity to offer targeted training for employees in the areas relevant to our business. Along with technical training content, there is an increasing focus on soft skills that have a positive impact on our interactions with each other and promote cooperation. For example, from the beginning we convey to trainees our understanding of quality and service as well as key competencies that are meaningful to tesa.

In order to be successful over the long term, we must also offer our employees attractive development opportunities – both professionally and personally, at all levels and in all areas. In order to identify and fully realize the potential of our employees, we have established target group and expertise-oriented training programs.



In addition, we enable our employees to gain new experience in other units or regions. The tesa training portfolio includes function-specific training programs that are tailored, for example, to the areas of Sales & Marketing, Research & Development, or the tesa Supply Network.

A series of "open" course programs is also available. This includes, for example, methodological training courses, such as time and project management, or communication training courses, such as conflict management, language courses, moderation or presentation skills. In addition, leadership and management programs

are available to managers and executives (see p. 26). The need for the development of tesa-specific training courses and programs is regularly determined in conversations with management and adjusted accordingly. This applies both to Germany and the regions.

#### **Measures and Results**

#### Training

In the technical area trainees can select from five different apprenticeships: chemical technicians, electronics technicians for operating technology, industrial mechanics, machine and system operators and mechatronics technicians.

As of the end of 2019, the Hamburg-Hausbruch tesa plant had 44 apprentices. Machine operators represent the largest group (16). The Offenburg tesa plant also had 44 apprentices, six of whom are completing a cooperative university education and vocational training program. Two additional courses of study (security, plastic and elastomer technology) were introduced here. The retention rate demonstrates that we intend to employ the apprentices over the long term. In Hamburg, eleven of thirteen apprentices were retained in 2019, corresponding to a rate of 84.6 percent. In Offenburg, the retention rate in 2019 was 72.7 percent.

#### **Qualification Programs**

The qualification programs contain basic qualifications for new employees and special formats tailored to the requirements of individual business units. The Sales and Marketing Qualification Program, for example, encompasses a combination of technical training and sales skills for sales employees.

Here we use a "blended learning" approach, which combines in-person classroom presentations and e-learning. In 2019, a total of 376 participants have taken part in 125 training days for the Sales & Marketing qualification program.

The training and qualification program for tesa R&D employees includes topics such as patents and quality management. A total of 175 people participated in this program in 38 training days during the reporting period.

During the year under review, 551 employees participated in a total of 163 days of training as part of these two qualification programs.

#### **E**-learnings

Along with classroom training courses and programs, tesa offers its employees a broad range of e-learning courses, for example, from areas such as compliance, occupational safety, research and development or the tesa Supply Network.

In 2019 we further expanded our e-learning course offerings. For example, we rolled out three e-learning courses worldwide on the topic of compliance (see p. 15). In addition, the units are now getting more support during the creation of their own e-learning courses. In 2019 some 9,494 participants were registered in e-learning courses at tesa.

In 2020 it is planned to test the use of a "Learning Experience Platform." This involves a digital learning platform with content that is individually customizable to the specific user and can be retrieved on demand.

#### **Open Course Program**

These classes are open to all employees by arrangement with their managers and include subjects such as language classes and IT training sessions. The sessions comprised 35 days of training in 2019, with 225 employees participating in Hamburg. At the tesa affiliates, employees are offered specific training courses locally as part of open course programs.

#### Learning Management System (LMS)

The LMS ("learning hub") provides employees with information on all the continuing education options on offer at tesa and lets them register for courses. The platform helps the HR department document the complete range of training courses. In 2018 we began to expand the system. The goal was to automate and standardize training administration and organization in the area of classroom training courses, e-learning programs and blended learning across countries, while enabling each region to manage itself.

In 2019 LMS was successfully introduced in four regions. For this we have trained selected HR points of contact

Along with technical content, soft skills, which promote cooperation, are increasingly becoming an essential part of tesa-specific training programs.



to deal with the new system and developed a communication concept for employees and executives. The introduction should be completed in all tesa regions in 2020.

#### **HR Marketplace**

In February 2019, the third HR Marketplace was held at our headquarters in Norderstedt. We introduced current offerings in the areas of career planning and qualification there. A particular focus this year was on our new X-perience career path model and the opportunities for cross-function transfer within the company (see p. 21). During the event employees and managers had the opportunity to speak to HR representatives, ask questions and provide feedback.

## Feedback and Dialogue

Regular feedback and open dialogue between supervisors and employees are aspects of a modern corporate and management culture. Being able to discuss questions, ideas, expectations, goals and also problems creates a relationship based on trust between employees and managers and strengthens team spirit. In addition, it promotes mutual development. Given the challenging labor market situation, a strong feedback culture is a decisive factor in gaining the loyalty of employees to the company and increasing employer attractiveness.

#### Management Approach

We would like to further improve the feedback culture at tesa and encourage employees and executives to use our feedback tools and actively seek a dialogue with those who provide feedback. Among the key instruments in this area are competency-based employee performance appraisals, 180° and 360° feedback (see p. 30) and competencies reviews (see p. 20). All formats are based on tesa Key Competencies – nine key competencies that determine how employees work at tesa. There are guidelines for conducting performance appraisals that apply worldwide. In addition, managers are trained in conducting these reviews. These reviews are usually conducted once a year, twice in some regions. The participation rate is at least 90 percent.

Employee surveys are an important element of our feedback culture. We conduct them at regular intervals both at tesa's headquarters and in the regions. The employee surveys serve to measure the engagement of our employees, their motivation and their loyalty to the company as well as to identify any elements that significantly affect these aspects.

#### **Measures and Results**

#### Leadership Feedback (180° Feedback)

How do employees view their supervisors, and what are their perceptions of the supervisors' leadership? To answer these questions, we use a worldwide digital feedback tool, with which we survey employees on various aspects of leadership. And afterward, supervisors receive an anonymized analysis they can use as a basis to discuss the next steps with their employees. In addition, the managers have the opportunity to conduct a team workshop with their employees based on the results. The workshop should offer them a suitable space for discussing potential areas of development in the team. Since its introduction in 2018, 29 executives worldwide have used the feedback tool.

#### 360° Feedback

In the first half of 2019, we revamped our 360° feedback tool and adapted its design and structure to the successfully introduced leadership feedback. This also involves a digital tool with an anonymized online questionnaire. It takes into account not only the perspective of employees and supervisors, but also that of colleagues and internal customers. In Germany the 360° or 180° feedback tool (depending on the target group) is a mandatory component of executive training. Each participant in executive training is automatically invited to participate in a feedback process. In consultation with HR and the respective supervisor, in principle every employee can participate in a 360° feedback process. In 2019 a total of 56 employees, including 33 executives, took advantage of the offer worldwide.

#### Competency-based Employee Performance Appraisals

We also conducted competency-based employee performance appraisals in the tesa regions in 2019. With this internationally uniform format we ensure dialogue between employees and managers. Besides facilitating feedback to employees, it also enables employees to provide voluntary feedback to supervisors.

#### **Employee Survey**

Due to the development of a new corporate strategy, no surveys were conducted in the reporting year. The next survey will be carried out following the global rollout of the new corporate strategy. Details are currently being worked out.

-900 percent is the participation rate in annual performance appraisals worldwide.

# Occupational Health Management

Maintaining and promoting the health and productivity of employees are important concerns at tesa. We wish to meet our responsibility as an employer beyond providing a good workplace environment and opportunities for promotion and continuing education. Moreover, health promotion to us is an expression of our respect for our employees. They regard offerings in this area as the defining feature of a modern employer and attach increasing importance to occupational health management.

#### Management Approach

To promote and preserve employees' health, tesa also has a broad-based occupational health management program. Under the "It's for you" slogan, an interdisciplinary team in Hamburg is working to develop a wide range of measures. The team includes representatives from HR as the coordinating body, the works council, the health promotion team, the tesa sport club, the social advising service, the body representing employees with disabilities, the occupational health service and the area of occupational safety. The goal is to minimize strain, while simultaneously strengthening the personal resources.

The tesa sport club offers tesa employees in Norderstedt a wide range of fitness and relaxation options, including endurance and strength training equipment and a variety of courses like spinning, yoga and back strength building, along with individual fitness checks. Employees at the sites in Hamburg can use the options offered by our in-house occupational health management service and those offered by our parent company, Beiersdorf, which include autogenic training, progressive muscle relaxation, and workshops on back health and relaxation techniques.

Another key aspect of the company's efforts to promote health is its extensive array of preventive health checks. These include vein screenings, skin cancer prevention and colorectal cancer screening. Further measures include equipping all office workstations with heightadjustable desks to minimize back strain, in-house advising on ergonomics, which provides support on the proper height adjustment of desks and office chairs, and information on exercises people can do at their desks. This also includes the promotion of healthy eating by offering healthy choices at the company's restaurant. The range of occupational health management options is constantly reviewed for its acceptance and effectiveness.

#### **Measures and Results**

#### **Psychological Risk Assessments**

In 2019, we performed psychological risk assessments in three other areas (Direct, Trade, and IT) based on the German Occupational Safety and Health Act. The cycle of psychological risk assessments is now up to 95 percent complete, with surveys to be conducted every three to five years in all areas.

#### **Diverse Health Offerings**

With regular lectures, training courses, and action days, we encourage our employees to pursue a healthy life and work experience. As in previous years, workshops on relaxation techniques, preventive health checks and action days on occupational safety topics were also conducted in 2019. In addition, employees can take advantage of the social advising service and psychological consultation hours, if needed.

#### New Offerings at the tesa Plant Hamburg

With the expansion of occupational health management at the Hamburg tesa plant, new health offerings are available to employees there. For example, there is a course on the topic of healthy leadership, a smoke-free program and resilience training. In addition, we offer active breaks at the plant and have expanded the sports and massage offerings. Energy and resourcesaving technologies, such as the CHP systems, contribute to improving energy efficiency at tesa.

# ENVIRONMENT

Our contribution to the SDGs

As a chemical company with production facilities in different countries, tesa bears tremendous responsibility for environmental issues. Treating the environment, natural resources and raw materials with great care is one of our corporate goals. This strengthens people's trust in our brand and safeguards the foundation of our success as a company. Therefore, we have been working for many years on reducing our environmental footprint – thereby also helping our customers achieve their sustainable development goals. Environmental protection has been a key element of tesa's business strategy for years, and it is firmly established throughout the Group by environmental guidelines. The guidelines provide all employees with a standard for our actions: Our products and system solutions should be structured in such a way that they are as harmless as possible to the environment over their entire life cycle. The environmental guidelines are available to all employees on the intranet. They are also an integral component of environmental training for relevant employee groups at ISO 14001-certified sites.

tesa's primary environmental impact is the energy consumption at its production facilities. We therefore put particular emphasis on protecting the climate and reducing  $CO_2$  emissions. Resource efficiency and the economical use of water are also top priorities for us. Applicable legislative provisions, which we implement at all our sites, form the basis of our work in the area of climate protection.

However, our commitment goes further: At all sites with a significant environmental impact, we use environmental management systems to control environmental performance effectively. Seven production facilities and tesa's
 headquarters (see p. 22) have an ISO 14001-certified environmental management system.

Environmental experts work at all ISO 14001-certified sites. They are familiar with tesa's global environmental guidelines as well as local legislation and the status of on-site technology. In order to achieve continuous improvement and to further reduce our environmental footprint, experts compile comparative figures and initiate corresponding projects. These projects are summarized in our environmental program, which applies across the company: The program enables us to specify our environmental commitment and set regular, ambitious Group-wide targets.

Another important element of our environmental management is dealing with risks proactively: As part of our environmental management activities, we identify and evaluate opportunities and risks in relation to environmental aspects both at the level of individual production facilities and across the board. This approach enables us to respond to changes early on, to avert costs and dam-

# 

# Four awards in half a year

# In 2019 two tesa sites received awards recognizing their commitment to environmental protection, among other things.

In January 2019 our plant in Suzhou, China, received the "Excellent Personnel for Environmental Management" award. With the award, the management of Suzhou Industrial Park (SIP), which with approximately 25,000 resident enterprises is the second largest industrial park in China, recognizes local companies featuring advanced environmental management or individuals who stand out through special performance in this area.

In summer 2019, the plant received two more awards from SIP for its outstanding performance in energy conservation and emission reduction in 2018 as well as for its system to monitor what are known as volatile organic compounds (VOC). The regular maintenance work, which significantly exceeds the legal requirements, received special praise. They make it possible to operate the equipment in a manner that is particularly protective of the environment and efficient.

Also in summer 2019, tesa tape North America (Sparta) received the "Green Supplier Award" from Japanese automotive supplier Yazaki as the Supplier of the Year in terms of the environment, health promotion and safety. The annual award presentation is preceded by a multimonth audit, in which Yazaki evaluates its suppliers in detail regarding their commitment in the areas of energy reduction, promotion of environmental awareness, reduction of air, soil and water pollution, community service and healthy and safe working conditions. age to our reputation as well as to take advantage of the opportunities that present themselves. At the same time, routine risk identification and evaluation make it easier for us to select suitable measures to protect the environment.

# Climate Protection and CO<sub>2</sub> Emissions

Climate change is one of the key social challenges of our time. At tesa we contribute to climate protection by increasing our energy efficiency and reducing our CO<sub>2</sub> emissions. In this context, it is especially important for tesa as an industrial supplier to prepare for future developments in overall regulatory conditions: Policy measures enacted to protect the climate, efficiency targets and the further expansion of renewable energies may affect tesa's business activities. Threshold limits, technical standards, and approval processes for energy generation and production facilities are also in flux, which calls for a forward-looking approach

In order to live up to our own ambition to provide effective climate protection, we take advantage of our innovative capacity: It helps us to continuously improve our products and production processes also with respect to environmental impact. For example, we are manufacturing more and more products using energy-efficient, solvent-free production processes. By doing so, we also contribute to more sustainability for customers. That can, in turn, increase interest in our products and give us a competitive advantage.

#### Management Approach

We use ISO 14001 certified environmental management systems at eight sites for the continuous management of our internal environmental protection. The ISO 14001 standard is an internationally recognized approach to management of the direct and long-term environmental impacts of products, services and processes of a company. Certified sites include all production facilities with related coating and/or adhesive production (this does not include the production sites of the com-



panies acquired in 2017 and 2018). They have relatively high energy consumption, due, for example, to drying or waste air purification processes, causing them to have higher  $CO_2$  emission levels. According to our calculations, 94 percent of our Scope 1 and Scope 2 emissions accrue to sites with certified environmental management systems.

In addition to the environmental management system, tesa's headquarters and the production facilities with the highest  $CO_2$  emissions (Hamburg and Offenburg) have an energy management system certified in accordance with ISO 50001. They account for almost 70 percent of the  $CO_2$  emissions of all ISO 14001-certified sites. This can be explained by the fact that tesa's headquarters has the most employees and the largest research and development unit, and Hamburg and Offenburg are the largest production facilities. The energy management systems set the stage for further increasing energy efficiency at the sites.

The targets that we set for ourselves in a given period are regularly reviewed and revised. Through our internal planning and reporting activities, we identify, assess and monitor risks and measures associated with reducing  $CO_2$  emissions at the level of the sites certified according to ISO 14001. We review the effectiveness of our activities by keeping track of monthly site-specific energy consumption. We determine Scope 1 and Scope 2  $CO_2$  emissions based on the guidelines of the Greenhouse Gas Protocols.

The current target period runs from 2016 to 2020. We have set ourselves the goal of reducing specific  $CO_2$  emissions per ton of end product (location based)

tesa Sustainability Report 2019



In addition to electricity, the CHP systems also produce heat, which is used during the production process or as heating. tesa will have at least four of these systems in operation by the end of 2020.

by 2020 by another ten percent compared to the 2015 reference year. As of the reporting date, we were at -9.8 percent.

Energy consumption is the most important control parameter for reducing our environmental impacts. Within the framework of a continuous improvement process and based on the environmental program as well as the environmental audit, the objective is to identify energy conservation opportunities, optimize energy-intensive processes and thereby to reduce our  $CO_2$ 

**3** sites have an ISO 50001-certified energy management system. emissions and the related costs. tesa corporate management conducts a management review every year as part of this process. The environmental experts at the respective locations bear operational responsibility.

Another strategic approach for increasing energy efficiency is the use of energy and resource-saving technologies. This includes the efficient generation of our own energy through cogeneration: We began operating a combined cooling, heat and power (CCHP) system for in-house power generation at the Offenburg plant in 2014, and the Hamburg plant followed suit with a combined heat and power (CHP) plant in 2016. In these systems, we use not only the electricity generated, but also the heat that is produced, for production processes or for heating.

In order to reduce our  $CO_2$  emissions, however, we rely not only on improving our energy efficiency – obtaining electricity from renewable sources also represents an important lever for this. In 2019 we purchased electricity from renewable sources at five German sites, covering about 34 percent of our demand for the ISO 14001 certified sites.

All emissions along the entire value chain that do not fall under Scope 1 and Scope 2 are assigned to Scope 3



The specific  $CO_2$  emissions per metric ton of end product were reduced by **9.8 percent** (location based) in 2019 compared with 2015.

emissions. In 2018, we collected data for material emissions throughout the value chain for the first time. In the process, we identified the areas of packaging, raw materials, finished good suppliers and product transport as material Scope 3 categories. A more detailed  $CO_2$  monitoring system for outbound logistics will be established in 2020.

#### **Measures and Results**

#### **Environmental and Energy Audits**

External environmental audits are conducted annually as part of matrix certification of the ISO 14001 sites. Internal system audits are also conducted at selected ISO 14001 sites.

In the first quarter of 2019, the tesa plants in Hamburg and Offenburg underwent the annual external examination audit of the energy management system in accordance with ISO 50001:2011. At the headquarters, the first recertification audit was carried out according to the new ISO 50001:2018 standard in the fourth quarter of 2019.

#### **Energy Efficiency Measures**

During the reporting year, the implementation phase began for the CHP systems at the tesa plant in Concagno, Italy, and tesa SE in Norderstedt. The CHP system in Concagno was put into operation in the third quarter of 2019. The commissioning of the CHP system at headquarters is planned for the third quarter of 2020. In 2019, the two plants in Hamburg and Offenburg together supplied about 37 percent of our worldwide electricity demand at ISO 14001 certified sites.

During the reporting period, the fluorescent lamps in the production and storage areas at the Hamburg production facility were replaced by light-emitting diodes (LED) and two additional buildings were connected to CHP heating. At the headquarters location, it was possible to conserve electricity consumption during the reporting period by optimizing the room air conditioning in the technology center and the centralized generation of compressed air. In 2020, additional conservation of electricity and gas consumption is planned by reducing the operation of ventilation systems at the technology center during non-operating times.

#### **Performance Indicator**

We were able to reduce the specific  $CO_2$  emissions per metric ton of end product according to the market-based method, taking into account electricity from renewable sources, by 1.8 percentage points compared to the previous year during the reporting period. Compared to the 2015 reference year, overall we are at -9.8 percent according to the locationbased method in 2019, and are within the target range of the 10 percent reduction we are pursuing for 2020.

### Key Figures for Climate Protection and CO<sub>2</sub> Emissions

#### **Energy use**

	unit	2015 <sup>1</sup>	2018	2019
Natural gas	GWh	204	275	248
Crude oil	GWh	0	0	0
District heat	GWh	0	0	0
Electricity from renewable sources	GWh	0	26	28
Conventionally generated electricity	GWh	60	26	25
Total energy use	GWh	265	327	301

#### Greenhouse gas emissions, location-based<sup>2</sup>

	unit	2015 <sup>1</sup>	2018	2019	2020 target
CO <sub>2</sub> direct (Scope 1)	1,000 t	41	56	50	
CO <sub>2</sub> indirect (Scope 2)	1,000 t	28	24	23	
CO <sub>2</sub> total	1,000 t	69	79	73	
Change 2019 vs. 2015 <sup>4</sup>	%	-	-	-9.8	-10.0

#### Greenhouse gas emissions, market-based<sup>3</sup>

	unit	2015 <sup>1</sup>	2018	2019
CO <sub>2</sub> direct (Scope 1)	1,000 t	41	56	50
CO <sub>2</sub> indirect (Scope 2)	1,000 t	41	14	13
CO <sub>2</sub> total	1,000 t	83	70	63
Change 2019 vs. 2015 <sup>4</sup>	%	_	-	-34.5

1 Reference year;

2 Definitions according to the GHG Protocol Scope 2 Standard; source, CO<sub>2</sub>e factors: GHG Protocol/IEA;

3 Definitions according to the GHG Protocol Scope 2 Standard; source, CO2e factors: electricity providers and/or residual mix:

RE-DISS (07/2017); emission factor for electricity from renewable sources is set as equal to zero;

4 with reference to production volume

### **Efficient Use of Resources**

In accordance with our environmental guidelines, we strive to produce, to use and to dispose of products in such a way as to minimize our harmful impact on the environment. The efficient use of resources is key. To be sure, waste cannot be fully avoided during the production of goods. However, we are committed to reducing it efficiently in order to preserve natural resources. We therefore constantly work on raising awareness among all stakeholders about avoiding unnecessary waste and engaging in professional recycling.

In addition to our consistent compliance with legal requirements, we also take further measures: We refine our environmental management systems on an ongoing basis, and to this end, engage in dialogue with external experts as well. We also provide our stakeholders with candid, transparent information on our goals and successes in this area. With these measures we have already significantly reduced our environmental impact in the area of resource efficiency.

### Management Approach

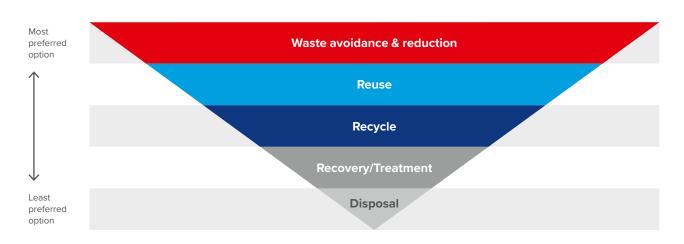
In order to offer our customers products that are as harmless as possible to the environment over their entire life cycle, we take care to employ environmentally friendly, solvent-free manufacturing processes from the early stages of developing our products. Wherever possible and sensible we use renewable and recycled raw materials. Measures to this end are an integral part of our environmental protection activities as a company. We also regularly raise awareness among our employees regarding the subjects of reducing and sorting waste.

We base our waste and raw material management on the waste pyramid (see diagram): Avoiding and reducing waste has the highest priority, followed by various options for recycling. Waste is disposed only when it is unavoidable.

In order to use materials efficiently and recycle wherever possible, we constantly work on minimizing production-related losses of the raw materials we use



Employees from production, process development and technology are participating in the project "Big Ideas Instead of Waste" at the tesa plant Offenburg. The long-term oriented campaign is expected to contribute to the continuous reduction of energy and resource use.



#### Waste Pyramid – Priorization of Waste Categories

when producing adhesives, coating tapes and cutting rolls. The waste generated during the production process is collected separately on a site-specific basis according to various waste categories and recycled to the greatest extent possible. For reporting purposes, it is summarized in categories based on whether it is non-hazardous or hazardous and whether it is for disposal or recycling (see p. 40). tesa recycles almost all non-hazardous waste and hazardous waste containing

solvents. Ongoing improvements in machinery and production processes – including some at our employees' instigation – have allowed us to reduce our waste volumes on a continuous basis.

For the current target period of 2016 to 2020, we have set ourselves the goal of reducing specific waste volume per metric ton of end product by another two percentage points from the 2015 reference year. Material losses during the production process are an important control parameter in order to achieve this goal.

The reduction and avoidance of packaging materials also help to minimize waste and thereby the negative impact on the environment. In the industrial area, our goal is to reduce the amount of packaging materials as much as possible and to avoid all packaging that is not absolutely necessary – without harming the

quality, performance or protection of our products in the process. When using packaging, we attach importance to the highest possible degree of recyclability of the packaging materials. For example, we give priority to cardboard packaging and reusable pallets and use single-source plastic as much as possible. In addition, we try to avoid the use of metal or aluminum or ensure that labels, adhesives and inks do not impair recyclability. Information on the packaging, for example regarding the class of materials used, makes it easier for the end customer to choose the proper form of disposal. In the consumer & craftsmen area, for example, we have lowered the weight of our packaging in order to reduce packaging waste. In addition, we take care to use primarily FSC-certified materials for our paper, cardboard and carton packaging. Our long-term goal is to avoid plastic packaging completely and instead to use bio-based films or films made from recyclables. In this regard, new forms of packaging are being considered, for example replacing shrink wrap with a paper sleeve or a folding carton. We have continued to optimize logistics and to standardize the shipping cartons we use as much as possible in order to reduce the large number of different sizes. We also aim for an optimal palette utilization in order to avoid unnecessary transport, thereby reducing CO<sub>2</sub> emissions.

### **Measures and Results**

#### **Employee Involvement**

We would like to harness our employees' expertise in order to develop waste-reducing measures. Therefore, in 2019 we continued the successful campaign "Big Ideas Instead of Waste" in the tesa plant in Offenburg. Behind this campaign is a long-term project through which we intend to continuously reduce energy and resource use. Employees from production, process development and technology are participating in the project. The project involves regular intra-departmental and inter-departmental discussions, which assist in coordinating the implementation of potential improvements and in fostering an exchange regarding best practice solutions. The project includes communication measures that are designed to create awareness of the issue among employees. In 2019 some 27 projects involving waste reduction were implemented. A few of them also contribute indirectly to energy savings since the saved materials no longer need to undergo the manufacturing process.

### **Performance Indicators**

Our reduction goal focuses on avoiding waste. If waste cannot be avoided, it should at least be recycled as much as possible. Therefore, we aim to keep waste volumes sent for disposal as low as possible. Categorized by waste disposal method, our waste volumes in 2019 were as follows:

# Waste volumes by type and disposal method 2019 in 1,000t



In sum, compared to the base year, the volume of waste per metric ton of end product was adjusted for mix effects that resulted from the weighting of the various sites and could be reduced by 4.4 percent (by deducting mix effects, we can represent the performance of our sites and our progress more transparently). We are thus on target Group-wide.

### **Responsible Use of Water**

As a result of climate change and the growing global population, clean water is becoming scarcer worldwide. Even though we at our sites are not currently affected by water shortages or other high water-related risks, we nevertheless view water as a valuable resource for people and ecosystems that must be protected.

In our production processes, we strive for the careful and economical use of water. Furthermore, as a chemical company that operates worldwide, we consider it to be our responsibility to protect water sources from contamination caused by our production activities. This awareness is reflected in our Group-wide environmental guidelines.

### Water Usage at tesa

Among other things, we use water for the production of adhesives – for example for the dilution and granulation of rubber or to manufacture intermediate products. In recent years, the share of water-based products has increased significantly – and the trend is upward. Water is added as a solvent to water-based adhesives. But water is also used in cutting and cooling processes or for the moistening of release papers. However, at least half of our total water consumption involves sanitary purposes.

In 2019, our water withdrawal amounted to approximately  $656,000 \,\text{m}^3$ . Of this,  $396,000 \,\text{m}^3$  is well water,  $260,000 \,\text{m}^3$  is derived from municipal sources. Our water consumption in 2019 was approximately  $410,000 \,\text{m}^3$ .

Two German production facilities and the headquarters account for approximately 77 percent of our total water withdrawal. At these three sites, we draw on technological solutions in order to ensure the most efficient use of water. Approximately 40 percent of the water is used in cooling systems and is done so repeatedly.

### Managing Water Risks

We would like to reduce risks for water sources that result from our production as much as possible. Therefore, we take preventive measures against any conceivable accidents. For example, liquids that pose a threat to water are emptied and refilled or stored only in areas that are equipped with appropriate retention tanks. Equipment to measures turbidity and solvent concentration ensure that no contaminated surface water is channeled into the sewage system. If a relevant quantity of water-endangering substances leaks, emergency plans that govern the precise procedure are enacted. All of these measures are regularly reviewed in our external ISO 14001 audits and are the prerequisite for a successful audit result.



tesa also offers numerous solutions for the solar industry, for example for frame mounting.

# PRODUCT RESPONSIBILITY



Our contribution to the SDGs

We view it as part of our corporate responsibility to offer our customers safe, durable and harmless products. Product responsibility begins for us right from the procurement of raw materials. We purchase them regionally to the extent possible, and are working on further increasing transparency about the origin of the materials used. In addition, we take care to comply with environmental, social and labor standards in our supply chain. Our product responsibility includes ensuring the safety of our products over their entire life cycle. In addition, we are continuously working on improving the product design in order to minimize the environmental impacts of our products. Applicable laws and regulations establish the foundation for our product responsibility. However, our commitment goes even deeper. Our environmental and product safety policies include strict internal guidelines that are designed to ensure the safety and environmental compatibility of our products. With these guidelines, we provide all employees with a clear framework for action for the development, production and market observation of our products.

Our aim is to offer our customers products that harm the environment as little as possible over their entire life cycle and are safe to use.

# Responsibility in the Supply Chain

Efficient supplier management is highly significant for the quality of our products – and thereby our business success. For our production we need raw materials and chemicals that we purchase from numerous suppliers worldwide and transport to our sites. The largest procurement markets are Europe and Asia with China as the main country of origin.

The tesa value chain is aligned globally and must be designed in such a way that it can anticipate future developments and respond to them. To meet this requirement, we qualify our suppliers on a systematic basis and work to streamline our supply chains through local purchasing teams. They know and observe the local market in detail and are able to make a realistic assessment of the possible risks arising from issues such as political instability and changes in local legislation. We also minimize potential risks by building a network of alternative suppliers.

In addition, due to the international nature of our value chain, we are exposed to a certain level of risk with regard to human rights violations. We aim to know the origin of the raw and intermediate products we purchase and provide traceability.

### Management Approach

In order to accommodate general developments in procurement, such as rising raw material prices, changes in sales and distribution channels, and shifts in the competition situation, tesa has created a central function called the tesa Purchasing Network (tPN), which brings together cross-sector activities and resources, and manages all processes across the Group.

The Head of the tesa Supply Network, which is part of tesa management, bears responsibility for supply chain activities and is supported by the regional supply chain organizations. Our purchasing organization, which is also part of the tesa Supply Network organization, has offices in Germany, China, Korea, Malaysia and the USA. Our global purchasing processes are defined and described in the Purchasing Compliance Guideline (PCG), which is part of the Group-wide Compliance Handbook. This guideline includes binding rules of conduct for tesa as the purchaser. In March 2019, the revised Purchasing Compliance Guideline was introduced. The focus was on the adjustment of the release regulations for the purpose of organizing the approval processes more efficiently.

The Purchasing Compliance Guideline also stipulates that tesa employees who engage in purchasing activity must require the main suppliers that supply tesa directly to sign the Code of Conduct for Suppliers (CoCfS). The CoCfS establishes the foundation for the responsible management of our global procurement processes and describes fundamental rules and obligations in the area of human rights, labor standards, environmental protection and corruption prevention. The ten principles of the UN Global Compact also serve as a basis here. New suppliers must accept the contents of the CoCfS before the first order. Otherwise, no business relationship is established. If the supplier does not comply with this demand, we seek to terminate the business relationship.

Within the tesa Group, the Group internal audit department monitors the purchasing standards that apply worldwide and the associated processes at the affiliates by conducting regular "Purchase to Pay" audits, which review all processes from procurement through to invoicing. In the process, Group internal audit department also checks whether the main suppliers are subject to any corresponding obligations under CoCfS. If necessary, the department calls for corrective measures.

### **Measures and Results**

# Fair, Environmentally Responsible and Reliable Supply Chains

Along with the commitment of our main suppliers to the tesa CoCfS, our clear goal is to gradually increase transparency and sustainability in the supply chain. By doing so, we intend to detect risks to sustainability in the supply chain and to avoid them through dialogue with the suppliers. In order to monitor the observance of human rights, working conditions and environmental aspects in the supply chain, we developed a Sustainability Assessment and Audit Program, which focuses on tesa's top suppliers, during the reporting year. EcoVadis assessments and SMETA audits, which we evaluated in a pilot phase in 2019, are key components of the program.



The tesa Code of Conduct for Suppliers is binding for all main suppliers that supply tesa directly.

#### Training Courses

Since 2017 we have regularly trained all process owners in the application of the Purchasing Compliance Guideline. The online training developed specifically for this purpose also explains the role played by the CoCfS as an element of our procurement processes at tesa. Approximately 75 percent of the target group of the training have successfully completed the e-learning by the end of 2019.

An improved training concept was introduced along with the revised purchasing compliance guideline: Besides online training, the relevant employees can now reserve a trainer for on-site training. The focus here is on improving understanding for the contents of the PCG and to eliminate any ambiguities, thereby fostering better understanding and creating acceptance in the global organization.

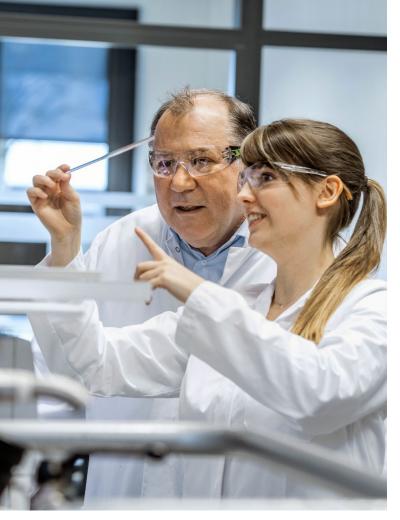
# **Product Safety**

The safety of our products is decisive for the satisfaction of our customers and thereby for our economic success. It makes a major contribution to creating and maintaining people's trust in our products.

If products display safety defects, this can have a negative impact – on the people who deal with them as well as on the natural environment. At the same time, our company can also suffer serious harm from product incidents. Actions such as recalling products can result in financial losses or damage our reputation. On the other hand, companies that ensure a high degree of product safety and quality benefit from competitive advantages – for example, by sharpening their brand profile or penetrating new markets more quickly. We aim to make products that satisfy the highest quality and safety requirements.

### **Management Approach**

We would like to design products and processes in such a way that they fulfill the diverse expectations of our stakeholders and no one is harmed during their production or use.



Extensive tests, measurements and analyses throughout the product development process are designed to ensure that our solutions are reliable and safe to use.

In order to offer our customers safe and high-quality products, we comply with applicable laws and guidelines. Our internal product safety guidelines, which expand upon the strict legal provisions, play a key role here. They describe mandatory measures enabling us to further increase the safety of our products. In addition, they specify the roles and responsibilities of the product safety officers. The tesa Product Safety Guideline applies worldwide and can be accessed on our intranet.

Product safety management at tesa is an essential component of quality management, for which control is shared by the organizational structure and management. The Product Safety and Product Development departments are responsible for assessing materials and substances. For their assessments, they rely on various chemical databases, evaluate research findings and consider information on safety-related substance properties and the safe handling of substances and mixtures. In order to avoid product errors, the Product Development and Production departments conduct failure mode and effects analyses (FMEA), among other measures. This helps them to identify potential defects in design, pro-

duction or even directions, such as inaccurate instruction manuals, during the development process. As a rule, a safety data sheet, which includes safety-related information for example on materials and substances, proper storage or handling, as well as recommendations for disposal, is available for every product. The safety data sheets are available in almost 40 languages.

Once products are already on the market, our business units continue to monitor them. If the units recognize that a renewed risk analysis and evaluation as well as corresponding measures are required, they initiate the necessary steps to ensure the health and safety of our customers and employees. There were no recall actions by end customers during the reporting year.

The product safety officers (PSO) are important for our work in this area. Every major plant worldwide has a local PSO who reports to the "Corporate PSO," the centrally responsible PSO. All PSOs have completed a recognized, external training course. They are usually also the quality officers at the plants.

### **Measures and Results**

#### Training Courses

For our worldwide training measures, we use e-learning courses developed in 2018 in addition to classroom training. During the reporting year, we have again trained employees in the topics of chemicals legislation, product liability and product issues management. They include employees from the areas of research & development, process development and marketing as well as the PSOs. In the event of legislative changes, the Corporate PSO revises the training courses. In 2019 we expanded the e-learning courses with content from the area of product safety management and assigned them to the relevant employees.

#### Audits

In order to check the safety of our products and processes, we have also conducted internal audits during the reporting year. The Quality Management department and the product safety officers are responsible for these audits. Both event-driven and annually planned audits are carried out. In addition to the areas of research and development and production, marketing is also reviewed if necessary.

#### **Safety First**

We take the quality and safety of our products very seriously. Therefore, in 2019 we developed a concept for further improving our approach to identifying safetyrelevant products. We also expanded our reporting system for the area of product safety during the reporting year.

# Enabling Sustainability for Customers

tesa products represent the highest level of quality, safety and the responsible use of resources. With our applications and solutions, we support our industrial partners in improving their processes or products. Our products help private users and professional craftsmen to perform their daily tasks and projects simply – whether at home or at work.

We want our products to be as harmless as possible to people and the environment over their entire life cycle. Therefore, in our corporate strategy we have set ourselves the goal of increasing energy efficiency, reducing the use of solvents in the production of adhesives and, wherever possible, using renewable or recyclable raw materials.

### Management Approach

We analyze the ecological balance of selected products using life cycle assessments: With this holistic approach, we determine what environmental impacts these products have over their entire life cycle and how these impacts can be mitigated.

However, we do not make only our own products more and more environmentally friendly but also support our customers' efforts to contribute to climate protection or resource conservation with our solutions: Our applications help them to manufacture their products in a more durable, efficient and energy-saving manner. This results in lower CO<sub>2</sub> emissions and less waste.

### **Measures and Results**

#### **Solutions for Industrial Customers**

In the **electronics industry**, adhesive tapes are one of the most important components in electronic equipment. They help make the devices more durable, avoid resource-intensive new purchases and make it easier to dispose of them later.

The building-integrated photovoltaics attached with tesa® ACX<sup>plus</sup> make it possible to supply the building with renewable energy and are not recognizable as solar units.



A good example is the use of our tesa® Bond & Detach products in smartphones: The complex design of modern smartphones makes it difficult to disassemble them. This is a particular challenge for repairs or for safe and efficient recycling. Our tesa® Bond & Detach products make it possible to fasten components such as batteries in such a way that they hold permanently. At the same time, they protect the device from shocks. If necessary, components can be easily removed without leaving any residue. In this way the electronic components can be replaced, disposed of properly or recycled. As a result, our products contribute to extending the useful life and improving the recyclability of the devices. Similarly, tesa® Bond & Detach can conserve resources during the production of consumer electronics: If in the past a battery was incorrectly glued to the case, it would no longer be possible to loosen it again and the manufacturer would have to dispose of the entire component. Thanks to tesa® Bond & Detach, manufacturers can now simply remove the components and put them in the right place.

tesa also continuously seeks environmentally friendly alternatives for the use of resources: For example, the electronics department plans to develop a new product series in 2020 that is based largely on acrylate monomers. This substance is produced from bioalcohols. In addition, resins from natural resources are added to the adhesive.

We enable manufacturers from the **automotive industry** to produce lighter vehicles. For example, we offer solutions for fastening and insulating the lithium-ion battery elements of climate-friendly hybrid and electric vehicles. Since the batteries take up a great deal of space, space-saving adhesive tapes for fastening are a better alternative to conventional screws and rivets. Furthermore, adhesive tapes are lighter by comparison – and a low overall weight is an important requirement when it comes to extending the range of e-autos or reducing the fuel consumption of gasoline engines. tesa's adhesive die cuts, which increasingly are replacing conventional plugs, also help cover holes with water, air and dust-tight seals. The adhesive points are many times lighter than the plugs. **\sum insights.tesa.com** 

With our Primerless product line, we also help our customers reduce the use of chemicals in production: For

# Environmentally friendly and permanently bonded

SWITZERLAND

During the production of doublesided acrylic adhesive tapes for highly durable adhesive bonds, our unique, patented ACX technology has been used for years now.

The ACX method removes the solvents used from the adhesive, eliminating the need for energyintensive drying. Compared to conventional production processes, 50 percent less solvents and energy are used. This is made possible by a technology that was developed internally by tesa and is supported by the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety.

The tesa<sup>®</sup> ACX <sup>plus</sup> products for permanent adhesives are used in the automotive, electronics, wind and solar, construction and other industries. For example, as with a building project in Switzerland, building integrated photovoltaics (BIPV) can be attached particularly simply and safely to the facade with the help of tesa<sup>®</sup> ACX <sup>plus</sup>. This makes it possible to efficiently provide the building with renewable energy. the products of this line adhere to low-energy surfaces without pretreatment. As a result, bonding agents become superfluous and the ingredients they contain that are hazardous to health are avoided. In this way, not only is the environment protected, but the safety of employees in the production line is improved.

Our adhesive tapes can also help improve air quality in vehicles. Certain plasticizers and adhesives already release what are known as volatile organic compounds (VOC) at room temperature. They contribute, for example, to the "new car smell." Since some VOCs have been linked in the past to health problems, the emission limits in vehicle interiors are strictly regulated worldwide. Accordingly, demand is increasing for solutions featuring the low emission of VOCs. Therefore, along with adhesive tapes with low VOC values we offer the Ultra Low VOC option, which emits only negligible amounts of VOC. Our adhesive tapes comply with the limits in every country and in every automotive market.

Our products also contribute to more sustainability in the **print and paper industry**. So that scrap paper can be recycled successfully, ink and other foreign objects, such as metal clips and adhesive tapes, must first be removed from the paper. The paper fibers that are recovered after this process – called "deinking" – can be used as raw material for paper production. tesa® EasySplice adhesive tapes for the print and paper industry have been certified for the deinking process by the International Association of the Deinking Industry (INGEDE) since they can be detached easily from the paper fibers. In the process, they support paper recycling and minimize waste.

With tesa<sup>®</sup> Twinlock we also offer a resource-conserving product for "flexographic printing." This is a special printing process, which is used, for example, for printing on packaging. tesa<sup>®</sup> Twinlock is a reusable alternative for the assembly of plate mountings: The plate mounting is attached directly to the coated tesa<sup>®</sup> Twinlock sleeve, which makes the use of adhesive tapes obsolete. After the printing process, the plate mounting can be removed again without difficulty and the sleeve can be used for the next order. By eliminating plate mounting tapes for plate assembly, tesa<sup>®</sup> Twinlock improves the CO<sub>2</sub> footprint since waste and transport emissions can be avoided.



The plate mounting can be attached directly to the coated tesa® Twinlock-Sleeve and removed again without difficulty. By doing so, plate mounting tapes are avoided – along with waste and transport emissions.

Our solutions for the area of **renewable energy** support our customers' efforts to extend the useful life of their equipment in particular. For example, the production of solar panels employs various applications for frame and box mounting as well as for cell and cable fastening. Our solutions are guaranteed to be weather-resistant; this has been verified by TÜV Rheinland in accordance with the IEC 61215 international standard.  $\searrow$  insights. tesa.com

Our adhesive tape and film solutions for the rotor blades of wind turbines are also particularly weather-resistant. For example, they protect the edges from wear caused by rain or particle erosion. Our UV and salt water-resistant anti-slip coating on or in the nacelle increases safety for the maintenance personnel. With acrylate foams of the tesa® ACX<sup>plus</sup> brand, tesa offers products for the permanent bonding of flow elements on the blade, increasing efficiency and reducing noise.

#### **General Applications and Products:**

Also with products that are used across industries, we take care that our applications are environmentally friendly and have a positive impact on the recyclability or useful lives of products. Our packing adhesive tape with fingerlift, for example, can be completely removed from cardboard packaging so that packaging can be recycled more easily. For some time now, we have been developing solvent-free adhesive tapes based on natural rubber. By doing so, we reduce possible environmental and health risks that stem from traditional solvents.

#### **Solutions for Consumers**

In the paper, office and stationery area, we are continuously expanding our product range for environmentally conscious consumers. Under the tesa® ecoLogo subbrand, we offer adhesive rollers, adhesive films, packing tape, glue sticks and correction rollers, which are manufactured from primarily recycled or natural materials. The tesa® ecoLogo complies with the demanding ISO 14021 standard for ecological products since solvents are completely dispensed with in their production and primarily bio-based materials and recycled packages are used. tesamoll® products for sealing window and door gaps as well as the tesa® ISO SYSTEM for uncomplicated interior roof insulation help users to conserve energy and reduce the emission of CO<sub>2</sub>. They also prevent the penetration of moisture and improve the indoor climate.

In May 2018, tesa acquired London-based FormForm-Form Ltd., and with it, the product Sugru<sup>®</sup>. With this malleable adhesive, everyday objects can be repaired and embellished quickly and easily. This extends the useful life of the objects and contributes to resource conservation.

## Supporting Conscious Lifestyles

GERMANY

Make it yourself instead of buying new. Repair and "upcycle" instead of throwing away. With tesa® products, everyday items can be upgraded and (seemingly) useless things can be given a new purpose.

Whether furniture, bicycles or decorative knickknacks – mending used items instead of throwing them away is what the "Right to Repair Movement" stands for. The upcycling movement's goal, on the other hand, is to take materials and products that can no longer be used in their original form or are out of style and transform them into functional, decorative and, above all, unique objects to save them from landing in the trash.

tesa offers a wide variety of highquality adhesive products for clever repairs, renovations, fastenings and decorations, and thus supports the rapidly growing trend among young people to embrace a sustainable lifestyle.

And to make sure there's never a lack of inspiration, tesa regularly collects creative ideas and reference guides.

For more information please see: insights.tesa.com Through the "mint.pink project days, female students become familiar with the work of tesa scientists, for example in the physics laboratory.

# SOCIAL COMMITMENT AND INVOLVEMENT



Our contribution to the SDGs

Voluntarily assuming social responsibility is part of tesa's corporate philosophy and firmly anchored in our corporate values. With our commitment as a company, we would like to make a positive contribution to society beyond our core business. Therefore, we are active globally, giving donations and sponsoring memberships. Our employees are also actively committed to volunteering. It is important to us to build a bridge to the tesa core competencies and the strengths of the company with our social commitment and involvement: imagination and an inventive spirit, solution orientation, practical support and team spirit. By doing so, we can ensure a win-win situation for all sides – the supported organizations and projects as well as tesa itself.

### **Management Approach**

Much as with our products, we would also like to create sustainable connections with our social engagement. Therefore, we have launched the "tesa connects" initiative as part of our corporate citizenship strategy. This strategy is complemented by a corporate giving policy as well as guidelines for brand and product sponsorships. In order to implement the strategy, we have defined three core areas, to which all projects that we support can be assigned: social commitment, supporting education and environmental protection. At the project level, these are divided into the four pillars "tesa helps," "tesa donates" (social), "tesa supports" (education) and "tesa protects" (environment).

The Corporate Citizenship department, which is a unit of Corporate Communications, bears overall responsibility for the topic of social commitment and involvement. It decides on all support activities of headquarters and coordinates them. Once a year, employees can take a day off from work to work together with colleagues for a social cause. The Corporate Citizenship department and cooperation partners such as tatkräftig e. V., a nonprofit initiative for volunteer activities, help employees to select the projects.

The Executive Board explicitly supports and welcomes civic involvement – not only at the headquarters, but also in the individual regions. For example, the Executive Board encourages affiliates to donate a portion of local sales to social projects and to demonstrate social commitment through volunteer work and team building activities. In keeping with the "Global Strategy, Local Implementation" approach, the regional companies independently select the projects to which they would like to commit themselves. The Corporate Citizenship department provides advice as needed on suitable



In > 40 projects worldwide tesa employees were involved voluntarily.

support projects based on its strategy and the corporate giving policy. Our affiliates manage their volunteer work individually and differently based on the number of employees. For example, affiliates that have already been associated with an initiative for many years organize regular annual action days, such as summer festivals, renovation days or crafts afternoons during the Christmas season. They are most familiar with local conditions and so can ensure that the respective measures effectively address the social challenges. Once a year, the regional companies report to the Corporate Citizenship department on the projects in which they have participated.

# tesa helps: Being There for Others as a Good Neighbor

The core idea of "tesa helps" is to offer neighborly assistance that is needed in the immediate vicinity of our sites. Many of our employees live near our sites and would like to become involved in social causes in their area. On all continents, on-site tesa teams take on projects and get involved in the local community.

#### **Commitment and Involvement in Germany**

Employees of tesa SE, the Converting Center in Hamburg and the tesa plant Hamburg can voluntarily participate in various projects in the region. The projects are offered by the Corporate Citizenship department in cooperation with the association "tatkräftig – Hände für Hamburg." With "1 day, 1 team, 1 goal" as its motto, the organization connects volunteer helpers with over 150 institutions in the Hamburg area. As an alternative, employees can choose their own initiatives to sup-



# Long-term Commitment

In collaboration with the "Osaka Child Welfare Association," tesa tape Japan is supporting disadvantaged young adults.

In Japan approximately 45,000 children live in foster homes. When they turn 18, they have to leave these homes. They often find everyday life very challenging due to not having been raised by their parents. Here is where the Osaka Child Welfare Association comes into play. It helps young adults achieve independence through various programs and workshops. For example, they address table manners, personal appearance, or the topics of finance and law.

For seven years now, the colleagues from tesa tape Japan have brought additional joy to the young adults at Christmas by distributing gifts at the workshops. In February 2019, the team was honored by the mayor of Osaka for its commitment. port in the neighborhood following consultation. For trainees from the tesa plant Hamburg, participation in a "tesa helps" project with "tatkräftig" has now become an integral part of the first apprenticeship year. In the year under review, 38 employees supported four projects in all, including play and craft activities or gardening, handicraft, and renovation work at social and charitable institutions, such as children's and youth facilities, day care centers, and refugee centers.

### Worldwide Commitment and Involvement

The affiliates worldwide also provided active assistance in the areas around their sites in 2019. This includes the charitable participation of employees in games and crafts afternoons or excursions with at times seriously ill children, but also renovation work in schools and kindergartens. For example, the colleagues from Belgium support the organization "D'Broej," which operates youth facilities in Brussels. There, disadvantaged children and youth are offered help with homework, time and space for personal development, but also sports and other leisure activities. The colleagues accompanied the team from D'Broej to the carnival in Etterbeek (Brussels), in which the organization participates every year, and helped with decorating and dressing up the children in costumes and painting their faces. In addition, they donated 5,000 euros.

# tesa donates: Uncomplicated Help for Social Projects

As part of "tesa donates," we make targeted monetary and product donations to support people and the dayto-day work of selected institutions. We provide tesa products for various purposes and groups, from schools and childcare centers to campaigns to provide aid to victims of natural disasters and other emergencies, when items like fly screens and packing tape can be useful. The financial support primarily benefits organizations that care for disadvantaged or ill children.

#### Donation for "Die Kleinen Riesen Norderstedt e. V."

In 2019 the annual leftover change donation benefited "Die Kleinen Riesen Norderstedt e.V.," which offers

support for children living in families with addiction issues. Its goal is to provide the affected with appropriate conflict and problem solution strategies and to help them in everyday crisis situations. The leftover change donation is based on a simple principle: On a monthly basis, employees at the Norderstedt, Hamburg and Langenfeld sites donate the cent amount from their net salary (0.01 to 0.99 euros), therefore a maximum of 11.88 euros per employee per year, to nonprofit organizations in their communities. In 2019 donations totaled 4,275.15 euros. The amount was matched by the executive management, for a total of 8,550.30 euros.

#### **Christmas Gift Campaign**

tesa organized a Christmas gift campaign again in the reporting year. tesa staff placed a total of 204 new gifts under the Christmas tree at the company headquarters for children who would otherwise not receive anything. Employees of ToysCompany, a nonprofit partner organization, then distributed them to socially disadvantaged families in time for the holiday. At various sites worldwide we also support organizations caring for disadvantaged children with financial and in-kind donations.

#### "Kultur im Betrieb tut Gut(es)"

Since September 2019, the series of events "Kultur im Betrieb," which has existed at tesa in cooperation with the parent company Beiersdorf since 2015, has a new name: Kultur im Betrieb tut Gut(es). The name says it all: All the entrance fees are now donated to fixed, charitable social partners, which assist people in need in the Hanseatic city. In addition, the respective partner organization has the opportunity to introduce itself during the event and to collect donations during the break.



At the film technical center at headquarters, the students learn what is important for film production and can try out production themselves.

**8,550.30** euros was the total amount of the leftover change donation in 2019. SOCIAL COMMITMENT AND INVOLVEMENT – tesa supports: Recruiting the Next Generation of Employees



For the last eleven years, the Suzhou tesa plant has been involved in improving the elementary school education of the children of migrant workers.

# tesa supports: Recruiting the Next Generation of Employees

From digitalization to climate change and energy issues, STEM skills (science, technology, engineering, mathematics) help to solve present-day challenges and are important for preserving livelihoods and for social progress. As a technology company, tesa would like to support young people in these subjects and in the process recruit qualified up-and-coming talent. Therefore, together with various initiatives we support educational projects that open up future prospects for young people in these areas. Specific projects and cooperative agreements in Germany and in numerous international affiliates are associated with this.

#### Initiative Naturwissenschaft & Technik

tesa SE in Germany has been partnering with Initiative Naturwissenschaft & Technik (Science & Technology Initiative – abbreviated NAT) already since 2014. In Hamburg and the surrounding metropolitan area, NAT connects schools with universities, colleges and technology-driven companies. The objective is to give young people a variety of insights into various occupational fields. We provide particular support for two NAT initiatives: "mint:pink," a support program to promote girls' participation in STEM, and "90 Minutes of STEM." Both are trial courses, in which the students can become familiar with the work of scientists. In 2019, two STEM days were held at tesa: tesa employees from engineering as well as research & development gave the schoolchildren insights into their career and scope of responsibilities at tesa, let the students perform small experiments and answered their questions. In addition, tesa has supported both programs again in the form of a major annual donation.

#### **Educational Projects Worldwide**

Support for education also plays an important role at international sites. For example, the tesa plant in Suzhou, China, has been involved in the "tesa Sunshine Education Assistance" program since 2008, which aims to improve the elementary school education of the children of migrant workers. More than 100 employees have volunteered for this initiative in recent years. A total of 710 children have already received an annual scholarship ("tesa Sunshine Scholarship"). In 2019 the plant expanded its commitment to a second school. In India, tesa supports the "Nanhi Kali" organization, which enables disadvantaged young girls to obtain an elementary school education.

## tesa protects: Working to Protect the Environment

Environmental protection is part of tesa's corporate philosophy. We augment our activities at the production and product level with specific projects that help preserve nature and improve the quality of life in our regions.

#### **Cooperation with the Environmental Center**

In 2019, we began to cooperate with the Hamburg environmental center Gut Karlshöhe. The center has been operated by the Hamburg Climate Foundation since 2008 and is a place for learning about and experiencing nature. People from the Hamburg metropolitan area can learn here in conferences, workshops, exhibitions or markets how life can succeed in terms of natural resources. The grounds are located near tesa's company headquarters in Norderstedt and offer various uncultivated areas that must be cared for and maintained. This opens the opportunity for charitable activities that can be combined with environmental education and food for thought for a more sustainable lifestyle. In 2019, an initial pilot project was conducted in order to determine whether the cooperation would capture the interest of tesa employees. Since the response was positive, we have decided to continue the cooperation: In fall 2019, another voluntary activity occurred at Gut Karlshöhe. A total of nearly 20 employees have participated in both projects.

#### **The Million Tree Project**

tesa staff in China have been working to protect the environment since 2015 by supporting the "Million Tree Project" – a tree-planting campaign in Inner Mongolia. In 2019, six tesa employees participated in the project. They trimmed older trees and planted new ones. Insights.tesa.com

# Education equals future

Since 2008 the production facility supports the nearby Suzhou Sunshine School, particularly with the granting of scholarships.

In 2019, the tesa plant in Suzhou decided to provide long-term support to several students at a local school and to provide financial assistance at least up to middle school. The children come from particularly challenging circumstances and could not continue their education without the scholarships since their families cannot afford the school fees. In addition, tesa employees would like to support the children on a personal level by planning excursions, for example to the robotics museum, that enable the children to experience and explore things they would otherwise be denied.

For more information please see: > insights.tesa.com



#### Publisher

tesa SE Hugo-Kirchberg-Strasse 1 22848 Norderstedt Germany

#### Contact

tesa SE Corporate Communications Tel.: +49 (0) 40 888 99 0 responsibility@tesa.com

www.tesa.com/responsibility www.tesa.com

#### Collaboration

Text tesa SE

Text and layout Stakeholder Reporting GmbH, Hamburg

Translation EnglishBusiness AG, Hamburg