

# tesa SE: Our Responsibility – Our Commitment

## Report 2012



## A vivid Tradition of Responsibility



Ban Ki-moon, UN-Generalsekretär (UN Photo/Mark Garten)

### Global Compact

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

Today, companies from more than 130 countries, international employee associations, civil society organizations, governments, and United Nations organizations are involved in the Global Compact. Under the auspices of the current UN Secretary General, Ban Ki-Moon, the world's largest corporate citizenship initiative is moving forward.

The ten principles, on which the pact is based, covering the areas of human rights, labor standards, environmental protection, and the fight against corruption, have long formed part of the corporate values of tesa. Our membership in the Global Compact underscores this vivid tradition. All of tesa SE's activities related to commitment and involvement are subject to a continuous improvement process. In this current issue, the Progress Report 2012, we provide an insight into the development of our activities and projects – with regard to the ten principles of the UN Global Compact and our own corporate responsibility strategy.

### The ten principles of the UN Global Compact

**Principle 1:** Businesses should support and respect international human rights in their own sphere of influence

**Principle 2:** They must ensure that they are not complicit in human rights abuses

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

**Principle 4:** All forms of forced and compulsory labor must be eliminated

**Principle 5:** The use of child labor must be abolished

**Principle 6:** Discrimination with respect to employment and occupation must be eliminated

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

**Principle 8:** Initiatives should be undertaken to promote greater environmental responsibility

**Principle 9:** The development and diffusion of eco-friendly technologies is to be encouraged

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



# Progress Report 2012

As a member of the United Nations Global Compact, we have committed ourselves to reporting annually on the progress of our initiatives. This helps facilitate a regular interchange of information with those around us and documents our projects aimed at putting the ten principles of the Global Compact into practice and firmly implementing them within our company. The Progress Report 2012 provides you with an overview of our worldwide commitment and involvement in the fields of human rights and labor standards, environmental protection, the fight against corruption, and society. tesa has traditionally taken a sustainable approach that ensures both continuity and a continuous im-

provement process. With more than 50 affiliates worldwide, there are a large number of projects involved. For that reason, this report is limited to a representative selection of current initiatives. We began publishing our Progress Report in an online version in 2008. In addition to the advantage of better accessibility, an online report also offers opportunities for regular updates. You can also visit the “Responsibility” section of our website for comprehensive information on the topics of the environment, employees, products, and social matters: [www.tesa.com/company/responsibility](http://www.tesa.com/company/responsibility).



## Declaration of Support

### Membership based on firmly held convictions

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

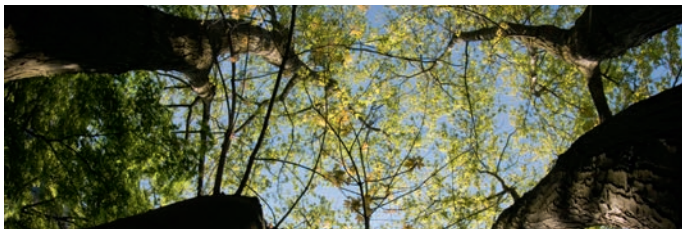
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## Human Rights and Labor Standards

### The human factor as a determinant of success

Numerous activities in the areas of employee qualifications as well as occupational health and safety characterized the year 2012. >> Page 5



## Environmental Protection

### Consequent development

Ten years after the introduction of the tesa Environmental Management Program all sites have very high standards.

>> Page 11



## Compliance and Fair Trade

### Integrity and proper conduct

We pay strict attention to compliance with laws and guidelines. A central co-ordination unit combines all associated processes and activities. >> Page 17



## Social Projects

### Strategy with regional facets

Our social commitment and involvement is reflected in over 40 projects worldwide. A new project combines environmental protection with corporate volunteering. >> Page 18

## Declaration of Support

“Responsibility is traditional at tesa:  
We see it as an important investment  
in the future.”

Thomas Schlegel,  
CEO of tesa SE



tesa SE is one of the world's leading companies in the self-adhesive technology segment. Our success story is not just associated with innovations, quality and technological progress. The acceptance of responsibility is also one of the defining factors in this development. We underscore this tradition of a sustainable business policy through our membership in the United Nations' Global Compact.

In 2012 we set things in motion for the biggest investment in the history of tesa SE. From 2015 we will manage our global business from a new location close to Hamburg's airport. The new building is not only a step in the right direction for our economic development. tesa's corporate culture will also benefit from the new home, as around 800 employees from the company's current headquarters, the research center and the technical center will be united under one roof. These units are currently separated from one another on the premises of our parent group Beiersdorf AG. In the future, direct linking will guarantee that paths are kept short as well as ensure better and faster communication. The new complex, precisely tailored to our business model, will see us further concentrate our strengths and bolster the tesa Group's international competitiveness for many years to come. It will enable us to react far faster and with greater flexibility to our customer's varying wishes. The groundbreaking ceremony for the new building took place at the end of 2012. The plans take account of ecological aspects and include an energy concept fit for the future.

After ten years of the tesa environmental program we were able to report positive results in the current reporting year. Ever since we have acted as a separate subsidiary within the Beiersdorf Group, we have pursued binding goals and have achieved a great deal. A range of large and small measures have meant that our global production locations now have very high environmental standards. We have also increased our commitment at the product level in recent years. With the environmentally friendly tesa ecoLogo® products for masking, fixing and repairing, we also have a “green” assortment in DIY and building supply stores since 2012. We have added colorful Mini Dispensers to our ecoLogo® range in the office segment. This year the products earned us third place in the “EcoCare prize” awarded by German

magazine “Lebensmittelzeitung” as well as a nomination for the “German Federal Ecodesign Award”. tesa also gave out prizes once again, handing out awards to eleven regional sustainability projects in the second edition of the “Make a difference that sticks!” competition. The projects received grants totaling 54,000 euros.

On a personal note I was particularly delighted about one award this year: The tesa plant in Offenburg received the coveted “Great Place to Work” seal. This “testimonial” is not merely issued by an official jury, but also by employees themselves by means of a questionnaire. If they are happy with their employer, this is the most valuable praise we can receive. During the official ceremony, the plant also received the special “Workplace Health Promotion” prize.

To improve our corporate culture even further, we devoted ourselves to the topic of a culture of feedback between managers and employees in 2012. New instruments and a newly designed staff meeting will bear fruit starting in 2013. We were also able to expand our range of offerings in the field of continuing education. In addition, we have continued our global social activities as before, focusing on long-term partnerships and voluntary commitment to children and young people. Among other things, we promote the joy of reading in Germany, support children from families of migrant workers in China and help “quarry children” in Yeleswaram in India. People and the environment are at the heart of a partnership with the Lower Saxonian Elbe River Biosphere Reserve. To further reforest the oak forest, tesa employees and their families planted over 2,500 young trees this year.

Further information about the subject of responsibility at tesa can be found on our Responsibility page on the Internet. We have rearranged and redesigned it this year:  
[www.tesa.de/company/verantwortung](http://www.tesa.de/company/verantwortung)

In the future we will continue to pursue our sustainable business policy in keeping with the UN Global Compact.



# Human Rights and Labor Standards

## The human factor as a determinant of success

People are the foundation of our business success – people like our own employees as well as customers and suppliers. With this in mind, compliance with and advocacy of international human rights are just as much a part of our principles as unimpeachable labor standards. We have firmly established these principles with initiatives that include the internationally applicable tesa Code of Conduct and the worldwide tesa Purchasing Charter, which governs our cooperation with suppliers. The content of the policies and rules associated with these initiatives formed an integral component of numerous staff development measures in 2012, too.

In terms of industrial safety, we were again able to continue the positive trend of past years and further reduce our below-average accident figures. In addition, we focused continually on further compliance issues. The initiatives included the establishment of a special compliance communication platform on the intranet, a training film on the subject of data protection produced in collaboration with Beiersdorf, training on the anti-corruption guidelines as well as the implementation of the tesa “Anti-trust Compliance Program”, which involved training on the subject of antitrust law at executive board, management and sales level worldwide.



### Code of Conduct

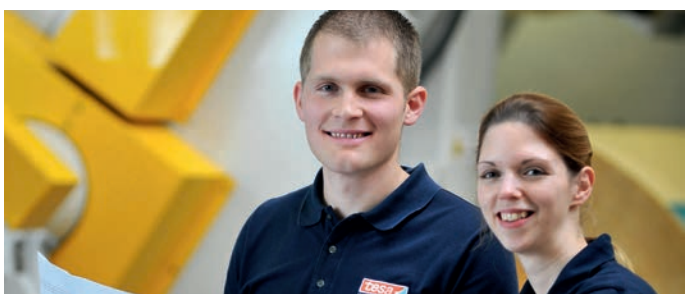
#### Binding rules of conduct

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

### Purchasing Charter

#### Minimum standards for strategic purchasing

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



### Employee Qualification

#### Range of further training expanded

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

### Occupational Health and Safety

#### Low accident figures

Due to high standards and preventive measures the number of notifiable industrial accidents was significantly below industry average. >> Page 10

## Code of Conduct



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

### Binding rules of conduct

Respect, honesty, trust, tolerance, and integrity – these are the principles we apply in our business, principles that have not only made us successful in the past, but also guide us in the present and will continue to do so in the future. The rules of conduct associated with these principles are specified in a mandatory worldwide Code of Conduct. During the last year, we implemented communication and training initiatives to ensure that these ideas take even firmer hold within the company. The rules and criteria incorporated into the tesa Code of Conduct, which is derived from our corporate values and the ten principles of the UN Global Compact, provide clear guidance. The Code of Conduct strengthens trust in the performance and integrity of the tesa Group. No matter what their position or title, we expect all employees to abide by our ethical principles and consistently apply them in everything they do. We demand that our executives not only demonstrate exemplary compliance with the rules of conduct, but also ensure at the same time that they actively communicate the rules to others. Since the Code of Conduct was introduced, all executives have been required to complete an e-learning program. For the current communication process with employees we also make supporting presentation material available to all management levels. In order to keep the topic at the forefront, the Code of Conduct is also an integral component in our introduction seminars for new employees, leadership training, in the Sales Qualification Program for sales staff and in our management development programs for executives and junior managers.

**The Code of Conduct establishes our most important principles in six main topics:**

#### **1. Adherence to legal regulations**

We do business lawfully and strictly observe the laws of the countries in which we are active.

#### **2. Fair competition**

We do not gain market advantages through unfair or illegal practices.

#### **3. Protection of tesa net assets**

We deal carefully with the company's legally protected information, net assets and resources.

#### **4. Socially acceptable working environment**

We ensure a socially acceptable, reliable and motivating working environment. We soundly reject child and forced labor, discrimination or the like. We also expect the same from our business partners.

#### **5. Personal integrity**

We promote the highest level of personal integrity, and fairness among our employees and avoid situations where personal interests conflict or may conflict with those of our company.

#### **6. Social commitment**

We take our responsibility to future generations seriously and work to ensure sustainable development in all the relevant areas: economic, ecological, and social.



Download „Code of Conduct“

## Purchasing Charter



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

### Standards for strategic purchasing

We at tesa are firmly convinced that sustainable, responsible corporate conduct must go beyond the individual company itself. That's why our internal rules of conduct have long applied to our cooperation with suppliers around the globe as well. To provide a standardized framework for our internationally applicable core principles, the Strategic Purchasing division of tesa established the tesa Purchasing Charter in 2008. Since then, we have continuously promoted the minimum standards we apply worldwide and expect our partners to meet in the areas of human rights, labor standards, environmental protection, and the fight against corruption.

By signing our contract terms and conditions, suppliers make a binding commitment to operate in accordance with the ten fundamental principles of the UN Global Compact. In our cooperation with suppliers, we strive to establish long-term strategic partnerships and pursue a continuous improvement process. This includes jointly established goals and monitoring the degree

to which they are met, site visits, and certification under the ISO 14001 environmental standard and ISO 9001 quality standard.

Sustainable supplier development is managed centrally at tesa by means of so-called product group strategies. They define the existing strategic partners of tesa SE on the one hand, while on the other hand providing insights into areas requiring the qualification of new suppliers. All results from the supplier appraisals are fed in, as are any measures subsequently agreed. The product group strategies are coordinated across functions with the individual tesa production sites and Research & Development. This enables us to ensure that the defined measures are implemented and that the portfolio of suppliers continues to meet our high demands in terms of technology and sustainability going forward.



Download „Purchasing Charter“

## Employees



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

### Qualifications and corporate culture

The commitment and expertise of our employees is the basis for the worldwide success of tesa SE. We promote trust between employees and management, encouraging every individual to show responsibility and initiative. Important components of our future-oriented HR policy include the targeted training of qualified employees, continuous further education and a very diverse range of offers to actively support the well-being of our employees.

#### Training and continuing education

During the current reporting year we established a new apprenticeship to train machinery and equipment operators at the tesa plant in Hamburg. The first young men and women were able to commence their two-year dual training in the summer of 2012. As in previous years, we have also expanded our extensive range of continuing education opportunities and enhanced them with regard to quality. The "Sales Qualification Program", which encompasses 30 target-group-specific courses in a wide variety of languages and also focuses on the Code of Conduct and the associated rules, was expanded in 2012, with new offerings including coaching for leading sales managers and country heads. The emphasis here was on operational practice and staff management. During the current reporting year 1,450 employees from international Sales and Research & Development attended 480 training days.

For several years we have been encouraging our employees to pass on their own knowledge as trainers. The aim of our international "Train the Trainer" continuing education program is to ef-

fectively anchor valuable expertise within the company in the long term. In total, over 90 participants completed the basic module "From a presenter to a trainer". In 2012 we expanded this offering with a three-day development module. During the current reporting year, the first group got the chance to refine their didactic methodology and conceptual skills.

The development of potential and experienced management staff continues to be one of the focuses of tesa's employee qualifications. The program that we offer in connection with this for talented junior members of staff covers management aspects as well as the topic of corporate responsibility and the content of the tesa Code of Conduct. In addition, since 2012 we have offered new custom-designed programs for select senior managers. By imparting modern management methods, we equip these individuals for complex management tasks and simultaneously ensure continuity in corporate management. 15 participants from various functions and nine countries took part in this in the current reporting year. An initiative that focuses on the legal aspects of executive management work was launched and made obligatory in 2012. This measure, which concentrates on topics such as anti-trust regulations as well as legally compliant management behavior and activities, is an integral component of the global qualification of all tesa executives. The associated standards have now been established for all subsidiaries. Four new executives have already successfully completed the measure.





### “Great Place to Work”

The 420 employees at tesa’s plant in Offenburg have had official confirmation that their employer is among the best in Germany, as the plant has borne the coveted “Great Place to Work” seal since the start of March 2012. It received very good marks in the categories of “Respect”, “Pride” and “Credibility” in particular. A survey of employees and a so-called culture audit by the “Great Place to Work Institute” formed the basis for the evaluation. The independent, international research and consulting firm headquartered in the United States was founded in 1991 and is recognized worldwide. The Federal Ministry of Labor and Social Affairs is one of the initiative’s partners in Germany. In addition, the tesa plant in Offenburg received the special “Workplace Health Promotion” prize during the ceremony (see chapter on “Occupational Health and Safety”).

At the sites in Hamburg, employees can also take care of their physical and mental well-being and take advantage of the broad range of offers that our parent group Beiersdorf provides. These include not only workplace health promotion activities, but also

the Beiersdorf Sports Association, which celebrated its 50th anniversary in 2012. Around 380 tesa employees and their relatives kept themselves fit during the current reporting year, while enjoying low membership fees. Hamburg’s fourth-largest company sports association offers over 40 sports.

## Occupational health and safety



**The health and safety of employees are a top priority at tesa. We focus on prevention through high standards and targeted measures.**

### Low accident figures and sickness absences

Prevention is the best form of protection from injuries and work-related health risks. Remarkably low accident rates demonstrate that we are on the right track with our high safety standards, occupational health and safety measures and training in all plants. The rate of accidents subject to mandatory reporting was significantly lower in the current reporting year than the industry average.

The Occupational Safety Guidelines, which are based on the international standard OHSAS 18001, are applied by tesa worldwide. When it comes to safety, we regularly raise employee awareness of the issue worldwide – including training courses on conduct conducive to health and safety, prevention of explosions and fires, fire extinguishing drills, detailed operating procedures for all production facilities and targeted training. Internal processes make a significant contribution to hazard reduction. The distinctive factor is the combination of systematic hazard identification and risk assessment, employee responsibility and a continual improvement process, which includes all the parties involved. The most important analytical tool is the so-called TOP principle, which covers the three categories, “technical”, “organizational” and “personal”. This enables hazards to be identified, categorized and evaluated – the basis for targeted solutions.

We consistently push our high standards and occupational health and safety measures forward when planning new facilities. Here as well, the focus is on the early identification and elimination of potential risks. A current example from the tesa plant in Suzhou, China: In the manufacture of a new coating system we

carried out what is known as a “Factory Acceptance Test” on site, and in doing so checked the implementation of all relevant safety features.

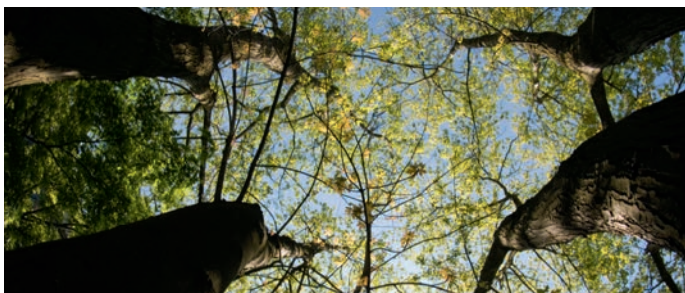
Over the current reporting year the topic of health in the workplace was among the key themes of our activities. With comprehensive health protection programs we promote the physical and psychological well-being of our employees worldwide. In 2012 our Offenburg site won an award for this: As part of the Great Place to Work award ceremony, as a top employer the factory won the special “workplace health promotion” award. The full range of measures includes, among other things, relaxation techniques, physical training, seminars on improving the sleeping skills of shift workers, ergonomic workplace design and occupational reintegration-management, for example after long illnesses. In addition, a full-time prevention expert is on hand for the benefit of the employees.

# Environmental protection

## Long-term commitment

Leaving an intact environment for subsequent generations is one of tesa's stated corporate goals. This is why ongoing monitoring and possible improvement of certain key indicators such as energy consumption, CO<sub>2</sub> emissions, the use of solvents, VOC emissions and waste have long been an integral part of our environmental management. Our production plants are certified in accordance with the international environmental standard ISO 14001:2004. tesa's "green thread" is based on a precautionary

approach: We promote the international exchange of information between our environmental experts and actively take the initiative. Part of this strategy involves developing our own production technologies to enable solvent-free production. In addition, we are increasingly pursuing our commitment at the product level: For instance, with the tesa ecoLogo® sub-brand we now offer a full range of eco-friendly products for the office sector. In 2012, we expanded the range into the DIY sector.



## Environmental program and goals

### International activities

Clearly formulated goals are the key to our ambitious environmental program, which involves projects spanning the entire globe. >> Page 12

## Climate protection

### Raising awareness

tesa operates climate protection measures on its own initiative and responsibility in order to leave an intact environment for subsequent generations. >> Page 14



## Resource conservation

### Manufacturing processes and waste management

Efficient use of raw materials and resources is important to us in terms of sustainable business policy. >> Page 15

## Eco-friendly products

### Consumers benefit from tesa

Sustainably produced goods like the tesa ecoLogo® range protect the climate. The winners? People all over the world. >> Page 16

## Environmental program and goals



**Mandatory targets are the key to our successful environmental management approach. All tesa locations have very high standards.**

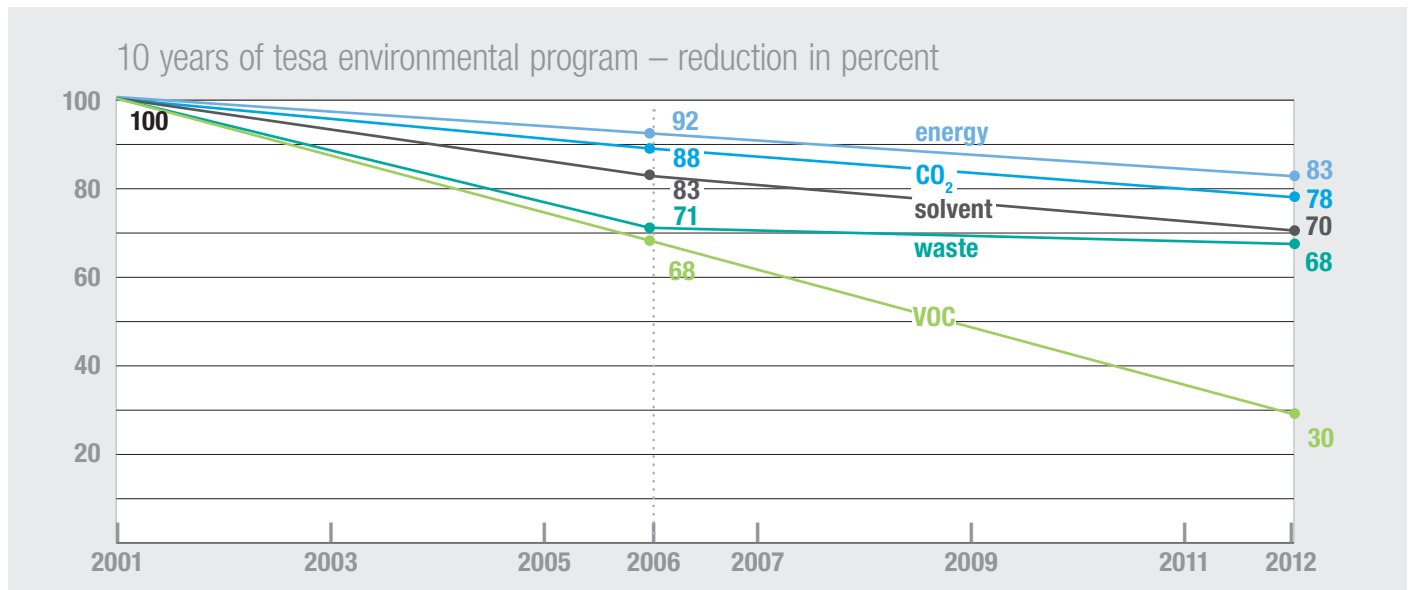
### 10-year tesa environmental program

The current reporting year offers the opportunity to look back over ten years of the tesa environmental program: Since 2001 tesa is an independent subsidiary within Beiersdorf AG. With the set-up of a systematic environmental management system we have seamlessly built upon the high environmental standards of our parent company. This involved not only the step-by-step certification of all tesa plants according to the worldwide environmental standard ISO 14001. In 2002 we also set mandatory targets within an internationally applicable environmental program – with the focus on solvents, energy, VOC emissions and waste. After completing two cycles (2002-2006 and 2007-2012), all tesa locations have now attained a very high standard.

Over the past ten years we have focused our technological development on eco-friendly production technologies and reoriented ourselves. In 2002 and 2011 in particular, we were able to make great progress with two newly patented “made by tesa processes”. Both technologies protect the environment to a considerable extent – in terms of solvents, energy consumption and CO<sub>2</sub>-emissions. A fact which led to funding for each of them from the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety. Overall we have implemented numerous measures to achieve our mandatory environmental targets at all our plants.

### Environmental goals 2002 through 2012

VOC emissions	- 70 percent
Solvents used	- 30 percent
Energy consumed	- 22 percent
Waste	- 32 percent
CO <sub>2</sub> emissions in Europe	- 17 percent



## Highlights, key figures and achievements over ten years

In **2002** the tesa plant in Offenburg put a solvent-free, eco-friendly production system for the manufacture of masking tape into operation. Since then, a total of more than 60 percent of all products at the plant have been manufactured without the use of solvents.

In **2005** tesa received the B.A.U.M. environment award from the German Environmental Management Association (B.A.U.M) and the Chemical Industry Association's (VCI) "Responsible Care Award".

In **2006** tesa produced a positive summary following the first environmental program from 2002-2006: The use of solvents in relation to production levels decreased by 41 percent based on constant production levels, and at the same time energy consumption decreased by 26 percent. A second environment program for 2007-2012 saw the start of the next phase. The new program focused on reducing the output of volatile organic compounds, also known as VOC emissions.

In **2007** an innovative system for heat recovery at the tesa plant in Offenburg considerably reduced energy consumption.

In **2009** there were significant advances in emissions of volatile organic substances. Since the start of the tesa environment program the VOC emissions had decreased by 50 percent in comparison with 2001. One year later the figure was already at minus 58 percent.

In **2010**, the tesa plant in Hamburg installed a new, state-of-the-art ventilation system. In the same year, the technology center of the Hamburg tesa headquarters completed the technical modernization of the ventilation system and the associated plant control system. The project received funding from the Hamburg Authority for Urban Development and Environmental Affairs.

In **2011** tesa succeeded in making a further technological breakthrough. The globally unique and patented ACX technology in the Hamburg plant enabled the eco-friendly production of double-sided acrylic adhesive tapes for high-strength permanent adhesive bonds.

After ten years of the tesa environmental program, the ecological standards of our plants have attained at a high level around the world. We remain committed to this and will use any useful opportunities for further improvement.

## Climate protection



**Environmentally friendly production methods and measures for employee awareness are part of our commitment to climate protection.**

### Small steps, big impact

In addition to environmentally friendly production processes and other measures which we use to keep up with the latest technology, raising the awareness of our employees is also part of our commitment. They are familiar with the ongoing operations and with their knowledge and specific ideas they help us to save energy and reduce costs at the same time. At our production site in Offenburg for example, 26 individual projects resulted from this in 2012 – among other things, the modernization of the lighting and the use of performance-optimized motors. At the beginning of 2013 there are already 34 new ideas for further optimization. This process was initiated in 2009 by the project, “Active Environmental Protection through Reduced Waste and Energy Use”. The project’s motto is: “small steps, big impact.”

As part of the international tesa environmental management system, our production sites have implemented successful energy saving projects over many years. In 2012, our German plants started preparations for the implementation of an energy management system (EMS) and as a first step initiated the creation of an online system for monitoring our energy data. The certification of the EMS in accordance with DIN EN ISO 50.001 is planned for the tesa plant in Hamburg and for the tesa plant in Offenburg by 2015 at the latest.

Together with the parent company Beiersdorf, in 2012 tesa laid the foundations for a “Green Car Policy”, which was implemented as of January 1, 2013. The intention of these measures is to reduce the CO<sub>2</sub> emissions for the entire car fleet by an average of 161 grams of CO<sub>2</sub> per kilometer. The gradual transition, which extends from vehicles for field sales staff to vehicles for board members, ensures that the company vehicles emit over 300 tons less CO<sub>2</sub> in Germany alone. Individual subsidiary companies have already converted their fleets, others will follow.

## Saving resources



**We handle raw materials and resources efficiently. Environmentally friendly technologies and good waste management are important to us.**

### Responsibility begins in the mind

#### Environmentally friendly manufacturing processes

Efficient handling of raw materials and resources led to ecological and economical improvements again in 2012. The consistent reorientation towards environmentally friendly production technologies has also shown the biggest effects in the last year. Especially notable in this context is the globally unique production plant for the environmentally friendly manufacture of acrylic double-sided adhesive tape at the tesa plant in Hamburg. The technology which goes under the name of ACX is notable for the extremely efficient extraction of emissions, among other things. This has led to the following environmentally relevant reductions in comparison with conventional processes:

<b>Use of organic solvents:</b>	<b>approx -55 percent</b>
<b>Disposal of organic solvents:</b>	<b>approx - 89 percent</b>
<b>Process water requirement:</b>	<b>approx -100 percent</b>

#### Waste management

All production of goods involves the generation of waste. In order to reduce this in a sustainable manner and to protect the environment and resources, we run regular training courses to ensure that all those involved are conscious of the need to avoid unnecessary waste and to recycle appropriately. In addition, we are constantly seeking new technical solutions and cooperation partners to enable us to maximize recycling.

The tesa plant in Offenburg is an example of how we are increasing the proportion of recyclable waste in the total waste volume. Thanks to a variety of measures the site recorded many improvements in 2012. Modification of the process in the preparation for the manufacture of masking tape has led to significant savings of waste water and raw materials. In addition, the plant saves cloth tape materials by reprocessing waste materials from the production process of the cutting lines. Other effects have come about due to the improved labeling of fleece material rolls and the optimized weighing of bulk raw materials for the production of tesa Powerstrips®. Most of these ideas come from the employees themselves. Bold communication measures in combination with an incentive system in the form of a variable bonus have led to the proactive introduction and implementation of these suggested improvements. Other locations have also adopted the issue of waste reduction in their target agreements and are now very successful with this system.

## Commitment at the Product Level



**Products for energy saving and sustainably manufactured goods protect the climate. They also have many winners – people all over the world.**

### Consumers benefit from tesa

We consistently pursue our environmental commitment at the product level. Among our environmentally friendly solutions is our tesa ecoLogo® range, which we further expanded in 2012. In addition, tesa products help consumers save energy directly. Our classic product tesamoll®, the market leader for sealing gaps in windows and doors, reduces energy consumption for heating by up to 35 percent and lowers costs. tesa ISO SYSTEM® also offers homeowners the opportunity to insulate their roof themselves in a quick, uncomplicated and effective manner.

Public debates on the topic of climate change, dwindling resources and environmental protection have led to growing consumer demand for sustainably produced products. We can provide an answer with the tesa ecoLogo® sub-brand. In the office segment, the eco-friendly tesa adhesive tapes and glue sticks, correction tapes and adhesive rollers are now selling very successfully. We expanded our product range in 2012 with the tesa Mini Dispenser ecoLogo® and the Mini Roller Correction ecoLogo®. In cheerful colors, both products combine environmental protection and appealing design. This was honored in 2012 with, among other things, a nomination for the “German Federal Ecodesign Award” and third place in the EcoCare prize awarded by Lebensmittelzeitung.

### “Green” masking, fixing and repairing

During the current reporting year we extended our “green” range to DIY and building supply stores. Solvent-free adhesives and the use of primarily organically based or recycled materials and packaging are the main environmental benefits. The new products include masking tape whose backing material consists entirely of unbleached paper. For secure fixing, the range includes double-sided tape on a backing made entirely out of recycled plastic. Finally, a cloth tape made predominantly from organically based raw materials enables environmentally friendly repairs.

In 2012, tesa generated awareness for the subject of sustainability in Germany with the second edition of the “Make a difference that sticks!” competition. Under the motto of “Achieving a lot through small things”, we honor regional projects with a focus on conserving resources and protecting nature and the environment. In the current reporting year, 122 associations, initiatives and private individuals submitted applications. During the voting phase in April 2012, almost 30,000 environmentally conscious individuals selected their favorites at [www.zeichen-kleben.de](http://www.zeichen-kleben.de) and ultimately chose eleven winners. In total, tesa provided the winners with a sum of 54,000 euros in grants.



## Compliance and Fair Trade



**At tesa, compliance with laws and internal guidelines is a matter of course. A central functional unit combines all associated processes and ensures adherence to international standards.**

### Integrity and proper conduct

#### Compliance

tesa traditionally stands for trustworthiness. This image hinges on virtues that guarantee free markets and fair competition while protecting people and the environment. The tesa Group categorically rejects all forms of corruption and unlawful or immoral conduct. In order to be able to consistently ensure this worldwide, we actively protect our company and our employees against possible risks. In 2012 we once again promoted active handling of the subject of compliance and our system of values as laid down in the internationally valid tesa Code of Conduct. This included the global implementation of the anti-corruption guidelines with supporting training as well as via various communication tools in our internal media and the production of a film on the subject of data protection.

The aim is to enhance awareness by means of targeted information and to prevent unintentional breaches of laws and regulations. Since the end of 2010, our employees have been able to seek the advice of the central “Compliance Coordination” office in the event of questions or doubts in individual cases. The function defines international standards and ensures the efficient bundling of all compliance processes. Its duties also include preparing status reports for the management team. The Compliance office pools eleven fields in total. In addition, various specialists are available to provide expert advice on topics including anti-corruption, labor and competition law, information technology and data protection, antitrust law, financial guidelines, environmental protection and industrial safety or trademark and patent law.

#### Fair Trade

Our activities focus, among other things, on antitrust law, which promotes a free economy and prohibits distinct restrictive practices. In the current reporting year, we successfully introduced our “tesa Antitrust Compliance Program” comprehensively. It serves to raise awareness of matters relating to antitrust law and enable the implementation of a worldwide functional antitrust law compliance system for the entire tesa Group. Besides providing relevant information on antitrust law and possible violations, we have set up internal communication structures and a network of competent attorneys. This has enabled us to provide quick and smooth training and information – both directly and via an e-learning program. We shall continue to pursue the topic actively going forward. Following last year’s successful completion of training worldwide for all decision-makers and employees with critical contacts under anti-trust law, the focus for 2012 was on checking our sales channels. In addition, we developed a so-called anti-trust refresher e-learning training course, which started in January 2013.

In addition, we also offer a topic-related platform on the tesa intranet. This page allows employees worldwide to find out about conduct that complies with antitrust law in their day-to-day business dealings and helps them find competent advisors. In our international regions, guidelines that have been modified to take into account the legal requirements in the respective countries and a catalog of examples of correct and incorrect conduct lay down what is and what is not permissible under antitrust law.

# Social Commitment

## Strategy with regional facets

The intensive social commitment of tesa SE and its subsidiaries was also evident in 2012 in numerous projects. These projects are in line with our Corporate Giving Strategy, which we first formulated in 2007 and which is incorporated into the tesa Code of Conduct. In the current reporting year, we again helped children and young people with donations, sponsorships and active sup-

port. With a focus on long-term effect, we have already been involved in most of the projects for many years. In addition to promoting creativity, education and environmental protection, we foster neighborly support and place special emphasis on the voluntary activities of tesa staff.



### Commitment to the Environment

#### Supporting biodiversity

We are in partnership with the UNESCO Lower Saxonian Elbe River Biosphere Reserve and ensure targeted reforestation.

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### Fostering Creativity

#### Multifaceted commitment

“Das macht Schule” and the Hamburg-based initiative Mentor e.V. are involved in fostering children's creativity. >> Page 20



### Promoting Educational Opportunities

#### Improving future prospects

Educating children and young people is part of our Corporate Giving Strategy. >> Page 21



### Local Help

#### Bringing joy

tesa employees provide direct support in France, Poland and Germany. >> Page 22

## Commitment to the Environment



**We are in partnership with the UNESCO Lower Saxonian Elbe River Biosphere Reserve and ensure targeted reforestation.**

To mark the 75th anniversary of the tesa brand in 2011, we entered into an active partnership with the Lower Saxonian Elbe River Biosphere Reserve and are supporting a restoration project to establish new populations of deciduous trees. The commitment includes the donation of 75,000 young oaks and corporate volunteering activities. Following the first planting campaigns in the prior reporting year, tesa employees took up their spades once again in 2012, some of them with their families. Together they placed over 2,500 new young plants in the earth. Maintenance and some replanting were also carried out. The development of new forest populations helps to lessen the greenhouse effect and has a positive effect on biodiversity. The Lower Saxonian Elbe River Biosphere Reserve measures 570 square kilo-

meters and is part of the UNESCO Elbe River Landscape Biosphere Reserve. The nature conservation activities are intended to improve the interaction between man and nature in the unique floodplain landscape with its ecological, cultural, social and economic values and functions.

## Fostering Creativity



**Everyone has the aptitude to be creative. We encourage this through various projects – with children, young people and ourselves.**

### **Germany. “Helping hands” from tesa**

tesa continued to support the charitable association “Das macht Schule” in 2012 as part of a corporate volunteering project. Employees get involved in Hamburg schools by acting together with schoolchildren to beat the renovation backlog. Following the voluntary support offered by around 50 colleagues from Consumer Marketing, Research & Development and Industry Market Management in last year, the Corvey Gymnasium, a high school in Hamburg, enjoyed active help during the current reporting year. In a large-scale campaign to brighten up the school, two tesa teams and around 600 schoolchildren reached for their brushes and paints.

### **Germany. Reading makes you smart and happy**

For many years we have championed the cause of supporting children’s reading skills. To give children a boost in their education and later professional lives, we cooperate with the Hamburg-based initiative “Mentor – die Leselernhelfer Hamburg”. The registered charity relies on voluntary mentors who convey the joy of reading to children and young people between the ages of eight and sixteen in a fun way. The reading mentors devote one hour per week to this. In addition to the tesa volunteers already committed to the cause, we were able to recruit ten new colleagues for the weekly “jour fixe” at the end of 2012. Alongside their respective reading mentees, who often find access to books difficult, they too will delve into the fantastic world of stories in the future.

## Promoting Educational Opportunities



**The key to a good start to your working life is education. This is why we support children and young people as well as scientific and technical trainees.**

### **China. Opportunities for children of migrant workers**

According to estimates, between 150 and 200 million migrant workers in China have moved from rural regions to the booming cities and coastal regions in recent years. For the children of these families, there is hardly any opportunity for a continuous education. To improve their prospects, the tesa plant in Suzhou has been supporting the local “Sunshine School” since 2008. With scholarships, “assistant teachers”, joint learning, fundraiser bazaars and various leisure activities, tesa employees provide targeted assistance and help pave the children’s way to a successful future. At the start of November 2012 the plant awarded the “Sunshine Scholarship and Education Assistance Awards” once again and honored schoolchildren for special achievements. Alongside their teachers, invited guests and tesa employees, more than 700 children enjoyed an exciting day.

### **India. Education instead of working in the quarry**

Since 2006, tesa in India has been supporting the school for the “quarry children” of Yeleswaram in southern India by taking on class sponsorships. With the aid of such donations, the children are able to attend the school constructed by the organization “wort und tat” in addition to receiving medical care. Without this assistance, they would have to slave away in the Yeleswaram quarry for three euros a day – just like their parents and siblings, with whom they usually share a tiny mud hut. To help improve their chances for a better future, tesa took on the sponsorship of a class of around 60 boys and girls aged five to seven once again in 2012 via the foundation “Chancen für Kinder”.

### **Germany. Active promotion of junior management talent**

tesa SE remained an active supporter of the Northern Institute of Technology (NIT) in Hamburg in 2012. In addition, the company is represented in the relevant industry advisory committees of Reutlingen University and the University of Applied Sciences (Hochschule für Technik und Wirtschaft) Berlin. The objective remains to maintain close cooperation between training institutes and tesa in order to discover and support talents early on. tesa has also continued and expanded its cooperation with other key universities. The activities primarily pursue two goals: On the one hand, tesa strives to contribute to the promotion of scientific and technical talent in the long term. On the other hand, tesa’s involvement provides the opportunity to offer young academics an attractive start to their professional life – including at an international tesa location, depending on requirements.

### **Germany. A taste of working life**

Once a year, tesa gives its employees’ children between the ages of 10 and 15 an exciting and fun taste of working life at the “tesa Zukunftstag” (“tesa future day”). What has to happen behind the scenes before a finished roll of adhesive tape emerges? In labs, offices and workshops, the children and young people meet tesa employees who explain the diverse fields of activity in a clear manner. There’s a lot of fun to be had in the process, with the opportunity to try things out and lots of ideas for when it comes to choosing a profession. The “tesa Zukunftstag” has been enjoying an outstanding response for many years. In 2013, tesa will be opening its doors to its employees’ children again.

## Local Help



**Our Corporate Giving strategy leaves plenty of room for regional facets. We provide direct, neighborly support through numerous projects.**

### France. Sweating for a good cause

For the third time in succession, a group of employees from the French tesa company took to the starting blocks at the “Race of Heroes” (“Course des Héros”). In the process, they collected 5,000 euros in support of the MVE Foundation (“Fondation Mouvement pour les Villages d’Enfants”). All athletes first have to earn their entry fee and ask friends for financial support. Only with a stake of 300 euros are you proven to be a hero and are granted admission to the six-kilometer run. The MVE Foundation has been giving new homes to children and young people from difficult family backgrounds for 50 years. The children often suffer from a lack of education and the consequences of emotional coldness, abuse or neglect. The institution offers them a stable environment and educational support. With the donations collected in 2012, tesa is supporting a polar expedition for young people. Taking place shortly before the phase of applying for a job for the first time, the trip strengthens the young people’s self-confidence and gives them the chance to find out more about themselves.

### Poland. Donations and active help

For years the Polish subsidiary has been among the active benefactors of a school for hearing-impaired children in Poznan named after the Polish composer and music author Jósef Sikorski. Along with help in organizing and carrying out events such as an international swimming gala, children’s day and St. Nicholas Day, tesa employees lent a hand with renovating the library during the current reporting year. Equipped with a whole host of tesa products for renovating and painting and supported by a team of professionals, the room, which was showing signs of wear, was completely restored – from the floor through new elec-

trical equipment to plastered and smoothed walls and ceilings. The center for deaf children, which is housed in a former Franciscan monastery that is over 300 years old, once again has a library that is what it should be: an outstanding place to read.

### Germany. Help for children with kidney disease

The tesa Converting Center Hamburg is committed to helping children and young people with kidney disease. In addition to financial assistance, the focus is on shared experiences. Alongside the parents’ association of “Nierenselbsthilfe Hamburg e.V.” (a Hamburg-based association for those suffering from kidney disease) and the KfH Nierenzentrum dialysis center, the tesa subsidiary combined the traditional summer party with an exciting visit to the “Hagenbecks Tierpark” zoo in the current reporting year. Accompanied by employees from the zoo’s school, the 46 young guests were able to get close to the animals and their keepers during a tour. Just like every year, the summer party was rounded off with a big picnic and crafts. The day drew to a close much too quickly, with the children taking away animal masks they had painted themselves and cloth bags that had been nicely decorated. The anticipation regarding 2013 is all the greater.

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