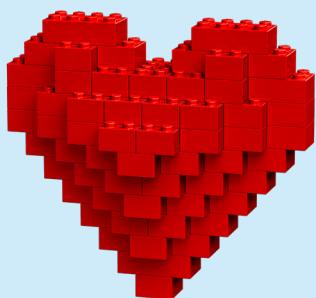


The LEGO Group

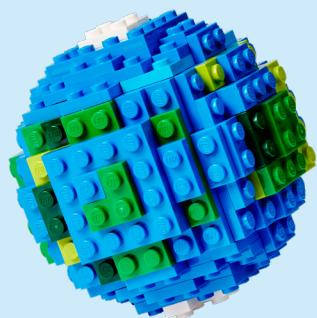
Responsible Business Principles



People



Children



Environment



Introduction and Summary

At The LEGO Group, we want to be responsible towards **children, people and the environment** and to have a positive impact on society and the planet our children will inherit. This is embedded in our [values](#), our [Policy Framework](#) and our long-term commitment to the [UN Global Compact](#), the [UN Guiding Principles on Business and Human Rights](#), the [Child Rights and Business Principles](#) and the [Sustainable Development Goals](#).

Our aim is to ensure the rights and well-being of anyone involved in the production of LEGO® products and to protect the environment for future generations. We also strive to safeguard the best interests of the child, by for example, encouraging family friendly workplaces wherever possible.

We seek to work with suppliers who share our ambition and commitment and who agree to work with us in a transparent way. In keeping with the LEGO motto '**Only the Best is Good Enough**', our intention is to build long term relationships with suppliers and to reward those who strive for best practice. Not only is this the right thing to do, it makes good business sense as part of our efforts to build a sustainable and compliant business and a resilient supply chain.

The **LEGO Group Responsible Business Principles** set out our expectations for our own production sites, suppliers and partners. There are 12 Principles, relating to **ethics, people, children and the environment**.



Ethics

Transparency & Integrity

- Business is conducted with transparency and Integrity

People

Worker Rights & Well-being

- Work is voluntary
- Workers are treated equally and with respect
- Workers have the right to freedom of association, expression and access to grievance mechanisms
- Employment practices and relationships are clearly documented
- Working hours are reasonable
- Workers are paid fair wages
- Vulnerable workers are protected
- Workers' health and safety is protected

Children

Child Safeguarding & Family Friendly Workplaces

- Child labor is prohibited
- Work places are family friendly

Environment

Caring for the Environment

- Business is conducted in a way that minimizes environmental impact and embraces sustainability



For each Principle, there are two levels of performance:

- **Responsibility Foundations:** Minimum requirements based on national laws, international standards and applicable UN and ILO Conventions. Where these set a higher standard than is required by applicable law, the more stringent standard applies
- **Best Practice Benchmarks:** Targets that we aspire to in our own facilities and encourage all suppliers to work towards. These may go beyond legal responsibility and/or international standards.

Application

We expect all suppliers and partners to act in a manner consistent with the LEGO Group Responsible Business Principles. However, they specifically apply to our own LEGO® production sites and:

- Our contracted suppliers of materials, components and packaging for LEGO products
- Licensing Partners and their manufacturers who produce LEGO branded merchandise
- Any sub-suppliers providing or processing a major part of a LEGO branded product or any component carrying a LEGO ID
- Selected indirect suppliers (i.e. suppliers of goods or services not for resale by us).

These Principles should be read in conjunction with supplementary [policies](#) and [guidelines](#) on specific product areas or topics.

The above suppliers and partners are responsible for ensuring compliance with all **Responsibility Foundations** in their own operations. They are also responsible for conducting appropriate due diligence within their own supply chains and applying the **Responsibility Foundations** or comparable standards, with a focus on areas identified as high risk.

Suppliers of metal or electronic components for LEGO® products are also required to comply with the [the LEGO Group Policy Statement on Conflict Minerals](#). Suppliers and partners must inform and get prior approval from the LEGO Group for any factory, sub-contractor or sub-supplier, including labour agencies, used for production of LEGO products or branded merchandise.

Managing Performance

Suppliers must have management systems in place, appropriate to the size and sector of the business, to manage compliance with the **Responsibility Foundations** and to advance towards the Best Practice Benchmarks where possible. This should include clear management accountabilities, policies and due diligence procedures, training, communication and review mechanisms (e.g. internal audits) to ensure compliance and continuous improvement. A senior management representative should be accountable for overall compliance. Suppliers must make workers aware of the LEGO Group Responsible Business Principles or comparable standards and train their managers and supervisors on how to meet them.

Performance Evaluation & Remediation

Suppliers must be able to demonstrate that they are applying these principles on a daily basis. The LEGO Group, or its representative, will regularly carry out assessments (announced, semi-announced or un-announced) of suppliers, subcontractors and sub-suppliers and/or request submission of performance data. This includes regular auditing of sub-suppliers that provide or process a major part of a LEGO branded product or any component carrying a LEGO ID.

We **have zero tolerance towards suppliers who intentionally mislead us or any of our representatives** and such actions can result in termination of the business relationship. During assessments, suppliers are required to be cooperative and provide full access to work areas, records, workers, housing and childcare facilities where applicable. If we identify a non-compliance with our **Responsibility Foundations**, we expect the supplier to develop an action plan to address it. We will also evaluate progress towards Best Practice benchmarks and take this into consideration in our business decisions.

We recognize that some issues are difficult to resolve and so encourage suppliers to share their challenges with us in a transparent way. **Our intention is always to support suppliers that show genuine commitment to improve.** However, if a supplier demonstrates continued failure to implement agreed corrective actions, or if non-compliances are of a grave character, the LEGO Group holds the right to terminate the business relationship immediately without penalty. The LEGO Group reserves the right to disclose names and addresses of suppliers and production sites. We also encourage anyone to report violations of the **Responsibility Foundations** to us. Reports can be submitted confidentially and anonymously and without fear of retaliation to responsibility@LEGO.com.

Acceptance

We hereby acknowledge receipt of the **LEGO Group Responsible Business Principles**. We agree to comply with the **Responsibility Foundations** requirements and to make commercially reasonable efforts to implement **Best Practice Benchmarks** wherever possible. We agree to be evaluated on our performance related to the LEGO Group Responsible Business Principles.

Name

Date

Company



Ethics: Transparency & Integrity

Our approach is based on the [UN Convention Against Corruption](#), the [UK Bribery Act](#) and other internationally applicable laws.

The LEGO Group expects business to be conducted lawfully and with a commitment to transparency. We have a zero-tolerance approach to bribery and corruption.

1 Business is conducted with transparency and Integrity



Responsibility Foundations

- 1.1 Full access to production sites is granted to the LEGO Group and its representatives at all times.
- 1.2 Any sub-contractor or sub-supplier involved in the production of LEGO® products or components is disclosed and approved by the LEGO Group prior to use.
- 1.3 Misleading, or putting pressure on others to mislead, the LEGO Group or any of its representatives to obtain or retain business or a business advantage is unacceptable and can result in the LEGO Group terminating the contract and/or taking legal action. This includes providing falsified payroll or time records and coaching workers to influence worker interviews.
- 1.4 All applicable national laws and other applicable laws, including anti-bribery and anti-corruption laws, are adhered to at all times.
- 1.5 Policies and procedures to prevent bribery and corruption are established and reviewed regularly to ensure they operate effectively.
- 1.6 Bribes in any form, or facilitation payments, are not offered, promised, given, requested, agreed to receive or accepted.

- 1.7 The exchange of gifts, hospitality and entertainment between suppliers and LEGO Group employees must not have – or be perceived to have – undue influence on business decisions and must be in line with the LEGO Group policies.*
- 1.8 Confidential and/or business critical information shared by the LEGO Group is safeguarded.
- 1.9 Situations that involve or appear to create a conflict between personal interests and the interests of the LEGO Group are avoided. If they occur, they must be raised immediately to the LEGO Group.

Best practice benchmarks

- 1.10 All managers involved in business transactions are trained in anti-corruption policies.
- 1.11 Grievance mechanisms are in place for suppliers and their sub-contractors to raise concerns confidentially and anonymously.
- 1.12 An open and transparent approach is cultivated with customers and suppliers to share challenges, learnings and best practices.

* If in any doubt, please seek advice from your LEGO Group contact person. LEGO Group employees are required to reject any non-compliant gift, hospitality or entertainment.



People: Workers Rights & Well-being

Our approach and definition is derived from the [Universal Declaration of Human Rights](#), the [International Labour Organisation's Fundamental Principles and Rights at Work](#), the [UN Guiding Principles on Business and Human Rights](#), the [UN Convention of the Rights of the Child](#), [The Children's Rights and Business Principles](#) and other applicable UN and ILO conventions.

The LEGO Group applies the principle that businesses have a responsibility to respect human rights and to avoid complicity in human rights abuses. We expect the health, safety and well-being of workers to be protected at all times and for workers to be treated equally and with respect.

2

Work is voluntary¹



Responsibility Foundations

- 2.1 All forms of modern slavery or forced labour are prohibited. Forced labour is defined as any situation where workers are forced to work against their will or under pressure from a threat of punishment.
- 2.2 Bonded or prison labour is prohibited.
- 2.3 Freedom of movement is not restricted, including movement in canteens, during breaks, using toilets, accessing water or necessary medical attention. Workers are allowed to leave the premises after shift end.
- 2.4 Guards are only posted for normal security reasons to protect employees and company property. If workplace entrances are locked or guarded to prevent non-employee access, workers may still exit freely at all times.
- 2.5 Overtime is voluntary.
- 2.6 Workers may terminate their employment contract in line with local law or contractual terms.
- 2.7 Workers are not required to deposit passports, identity papers, work permits, travel documents and other personal legal documents at their place of work as a condition of employment.

2.8 Workers are not required to pay any form of recruitment fee or deposit to suppliers or agents to gain employment. In cases where a fee has been paid, the supplier must promptly reimburse the worker.

2.9 Workers are not required or pressurised to live in employer-owned or controlled residences as a condition of employment.

Best Practice Benchmarks

- 2.10 Training is provided for line managers on modern slavery risks, particularly in relation to temporary or seasonal workers.
- 2.11 Due diligence processes are in place for sourcing of raw materials and components to ensure that they are not associated with forced labour or modern slavery.
- 2.12 Contracts should specify notice periods and the recommended notice periods should be at least the interval between payments to the worker.

¹ Based on ILO Conventions 100, 111, 158, 159; ILO Recommendations 90, 111, 168; Universal Declaration of Human Rights; UN Guiding Principles on Business and Human Rights.



3 Workers are treated equally and with respect²



Responsibility Foundations

- 3.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement on the grounds of gender, marital or parental status, pregnancy, race, colour, age, sexual orientation, religion, political opinion, union membership, function as worker representative, nationality, ethnic origin, disease or disability.
- 3.2 Workers are not subjected to mandatory health tests (e.g. HIV/AIDS) that have no relevance to the job function. Compulsory pregnancy testing is not allowed.
- 3.3 All workers are treated with respect and dignity. Workers must not be subjected to bullying, intimidation, violence, corporal punishment or physical, sexual, psychological and verbal harassment or abuse.
- 3.4 All security practices are gender appropriate and non-intrusive. Body searches are only carried out if permitted by law and with legitimate reason and by a person of the same sex.
- 3.5 Disciplinary procedures are clearly documented and explained to workers, with accurate records kept of disciplinary actions.

Best Practice Benchmarks

- 3.6 All managers involved in hiring, compensation, training, promotion, disciplining and termination of workers are trained in equal opportunities and non-discrimination.
- 3.7 Workers and managers are trained on their rights and responsibilities and encouraged to report any harassment, abuse and other forms of intimidation.
- 3.8 A system is in place to discipline supervisors, managers or workers who engage in any physical, sexual, psychological or verbal violence, harassment or abuse and to support any workers affected by such behaviour.
- 3.9 Reasonable measures are taken to accommodate workers with chronic illnesses, including HIV/AIDS-related illnesses, such as the provision of special equipment, time-off for medical appointments, flexible sick leave, part-time work and return-to-work arrangements.
- 3.10 Worker dialogue, surveys or other means of assessment are carried out, involving independent third parties (e.g. non-governmental organisations, audit firms) to understand worker perceptions of their treatment.

² Based on ILO Conventions 100, 111, 158, 159; ILO Recommendations 90, 111, 168; Universal Declaration of Human Rights; UN Guiding Principles on Business and Human Rights.



4 Workers have the right to freedom of association and expression and access to grievance mechanisms³

Responsibility Foundations

- 4.1 Workers have the right to form or join trade unions and take part in union activity, select their own representatives and to bargain collectively without interference, obstruction, influence or sanctions from employers.
- 4.2 Alternative forms of worker representation are supported where the right to form unions is restricted by law.
- 4.3 Worker representatives have access to the workplace and are able to carry out their representative functions.
- 4.4 Worker representatives are elected in a fair and transparent manner and are not subject to discrimination.
- 4.5 Workers are free to report any grievances with their working conditions without fear of retaliation.
- 4.6 Employers have a clear and transparent system for workers to provide input to management (e.g. regular and documented worker committee meetings).
- 4.7 A grievance mechanism is in place appropriate to the size and sector of the business. This should be widely communicated and accessible to all workers (including temporary workers) and managed in a confidential, unbiased, timely and transparent manner.

4.8 Workers are made aware of the requirements of the LEGO Group **Responsible Business Principles** and/or comparable codes, through appropriate communication and training.

4.9 Workers may notify the LEGO Group or its representatives of any violations of the **Responsibility Foundations** at any point, including during monitoring visits and/or by using email responsibility@LEGO.com without fear of retribution.

Best Practice Benchmarks

- 4.10 Regular, genuine and constructive communication is established between management and trade unions and/or worker representatives to ensure an effective dialogue.
- 4.11 Workers and managers are trained on the policy and procedures for the handling of grievances, complaints and suggestions.
- 4.12 Worker dialogue, worker surveys or other means of assessment are carried out, in conjunction with an independent third party (e.g. non-governmental organisations, audit firms) to assess if grievance mechanisms are effective.

³ Based on ILO Conventions 87, 98, 135, 154; ILO Recommendations 135, 143; Universal Declaration of Human Rights; UN Guiding Principles on Business and Human Rights.



5 Employment practices and relationships are clearly documented⁴



Responsibility Foundations

- 5.1 All workers are provided with a written contract, in a language understandable to them, outlining the terms of employment including work hours, salary, benefits and payment conditions.
- 5.2 All workers on the premises are registered and have the right to work legally. Records relating to the 'right to work' are maintained (e.g. work permits).
- 5.3 Excessive use of fixed-term contracts, casual or agency workers or sub-contracting for the purpose of avoiding obligations under labour or social security regulations is avoided.
- 5.4 Disciplinary rules and procedures are documented with transparent and fair escalation processes. Written records are kept of all disciplinary actions.

Best Practice Benchmarks

- 5.5 Agency or temporary workers should not routinely represent more than 30% of the overall workforce.
- 5.6 Employment policies, practices and records are clearly documented and maintained covering all aspects of employment from recruitment, hiring and probation through to termination processes.
- 5.7 Training is provided to new workers at the time of hiring, covering at minimum employment policies, compensation, health & safety and industrial relations including the right to freedom of association. Training is updated on a regular basis.
- 5.8 Policies and procedures are in place for the on-going training of workers to develop their skills and careers.

⁴ Based on ILO Conventions 122,158, 175; ILO Recommendations 166, 182; Universal Declaration of Human Rights; UN Guiding Principles on Business and Human Rights.



6 Working hours are reasonable⁵



Responsibility Foundations

- 6.1** A transparent, accurate and reliable system to record working hours, overtime and leave is in place.
- 6.2** Complete time attendance records for each employee are maintained for at least 12 months, or longer if required by law.
- 6.3** Standard working hours by contract are in line with local law or collective bargaining agreement, and not more than 48 hours in a week excluding overtime.
- 6.4** Workers have at least one day (24 consecutive hours) off within every seven day period or two days in every 14 days if allowed by local law.
- 6.5** Workers must have at least 10 hours consecutive rest in every 24 hours.
- 6.6** Employers do not impose any undue restriction on workers use of leave, including annual or parental, as defined by local law or contractually agreed.

- 6.7** Workers are provided with all official public holidays as required by local law, or a day in lieu.

- 6.8** Facilities have systems in place to manage weekly working hours within reasonable limits and to progressively limit working hours to 60 hours in any seven day period.

Best Practice Benchmarks

- 6.9** Working hours, including overtime, do not exceed 60 hours in any seven day period and are ideally lower.
- 6.10** Working hours are reduced without any reduction in 'take home' pay of the workers through productivity improvements and other initiatives.
- 6.11** Workers are consulted on any changes to working hours.

⁵ Based on ILO Conventions 1, 14, 30, 160; Universal Declaration of Human Rights; UN Guiding Principles on Business and Human Rights.



7 Workers are paid fair wages⁶



Responsibility Foundations

- 7.1 A transparent, accurate and reliable system to calculate and record wages is in place.
- 7.2 Workers receive wages and benefits for a standard working week, after deductions, that meet at minimum the national legal level or collective bargaining agreement, whichever is higher.
- 7.3 Wages are sufficient to cover food and housing expenses and other basic needs for the worker and his or her entitled dependants and provide some discretionary income.
- 7.4 Overtime hours are compensated at a premium rate of no less than 1.25 times the normal amount of compensation per hour or more if dictated by national law.
- 7.5 Wages, including overtime payment, are paid in full directly to the worker, at least on a monthly basis.
- 7.6 Workers are provided with payslips in a language understood by the worker, clearly summarizing all relevant wage information, including regular and overtime pay, bonuses, deductions and final pay.
- 7.7 All benefits, such as pension and leave provisions required by local laws and regulations are provided, including annual leave, sick leave and parental leave when applicable.

- 7.8 Monetary fines or deductions in compensation as a means of disciplinary measures can only be conducted if permitted by national law and agreed by the applicable collective bargaining agreement.
- 7.9 Monetary deductions related to work performance are prohibited.
- 7.10 Any services offered to workers (e.g. housing or canteen meals) above the requirements of local law must be optional, and the cost must be accurate, reasonable and shall not exceed the cost of the service to employers.

Best Practice Benchmarks

- 7.11 A compensation system that categorises workers according to skills, qualification and job function is established and reflected in wage and other benefits given to workers.
- 7.12 Policies and procedures to ensure equal pay for equal work are established and reviewed regularly to ensure they operate effectively.
- 7.13 Assessments are carried out, ideally using independent third parties (e.g. non-governmental organisations, specialist audit firms), to assess if compensation meets workers' basic needs and is perceived as fair.

⁶ Based on ILO Conventions 26, 95, 117, 131, 132, 183; ILO Recommendations 135; Universal Declaration of Human Rights; UN Guiding Principles on Business and Human Rights.



8 Vulnerable workers are protected⁷

Responsibility Foundations

- 8.1 All legal obligations and limitations regarding recruitment and employment of young workers, below the age of 18, are adhered to.
- 8.2 Workers below 18 years of age are protected from any hazardous work, night shifts or any kind of work that may negatively impact their health, safety or well-being.
- 8.3 Vulnerable workers, including temporary workers, agency workers, home workers, migrant workers and pregnant workers, who may be subject to less protection under national law, are provided with equal benefits and opportunities as other workers.
- 8.4 Factory managers are responsible for ensuring the **Responsibility Foundations** are applied to all workers on their site whether they are directly employed or engaged through an agency.

8.5 Where agency or migrant workers are hired, processes must be in place to ensure that workers do not pay recruitment fees to gain employment. In cases where a fee was collected, the worker must be promptly reimbursed by the supplier.

8.6 All workers on the premises, including agency workers, must be documented and have the right to work legally with records of the proof maintained.

Best Practice Benchmarks

- 8.7 Where agency workers are used, there is a clear written agreement with the agency to safeguard the rights and welfare of workers covering health and safety, employment terms, compensation and equal opportunities. Compliance with this agreement is monitored regularly.

⁷ Based on ILO Conventions 79, 90, 138, 143; ILO Recommendations 146; UN Convention of the Rights of the Child; The Children's Rights and Business Principles.



9 Workers' health and safety is protected at work⁸



Responsibility Foundations

- 9.1 A safe and healthy environment is provided, covering all production areas as well as kitchens, canteens, housing and recreational areas, in compliance with national laws and regulations.
- 9.2 Management systems are in place to protect the health and safety of workers with responsibility assigned to a management representative.
- 9.3 Health and safety committees, appropriate to the size of the facility, are in place with participation from workers.
- 9.4 Risk assessments are conducted to identify dangers and work-related hazards.
- 9.5 Accidents and injuries at the workplace are recorded.
- 9.6 Workers are trained in occupational health and safety, fire safety and, if applicable, waste and chemical management.
- 9.7 Strength, stability and safe use of buildings is demonstrated by appropriate legal permits and certifications.
- 9.8 Workers are not exposed to unsafe electrical installations, hazardous machines, equipment and chemicals or other dangerous substances.
- 9.9 The work environment is equipped with sufficient light, heating, and ventilation to moderate temperature and ensure air quality.
- 9.10 Workers are provided, at no cost, with relevant personal protective equipment, covering all work processes and trained in their use.

9.11 Chemicals are handled, transported and stored safely.

9.12 Machinery is inspected regularly to ensure safety and is equipped with safety devices. There are clear instructions or warning signs in a language understood by all workers.

9.13 Fire safety is ensured through prevention of fire hazards, regular fire drills and fire safety training for all workers. Further details of fire safety standards are at Appendix A.

9.14 First aid facilities are readily available and first aid trained staff are on site at all times.

9.15 Workers have access to clean drinking water, adequate toilet and washing facilities which respect worker dignity (e.g. doors, cleanliness) and, if applicable, to clean facilities for food preparation and storage.

9.16 Housing and childcare services, where provided, are separate from the production area and subject to all above requirements. Housing meets the basic needs of workers, including reasonable personal space, secure storage for personal belongings and adequate water, sanitation and hygiene standards.

Best Practice Benchmarks

- 9.17 Policies and procedures to promote long term health and safety of workers are established and reviewed regularly to assess if they are effective.
- 9.18 Worker dialogue, surveys or other types of assessments are regularly carried out to identify risks and assess workers' perception of their health and safety.

⁸ Based on ILO Conventions 148, 155, 170; ILO Recommendations 164, 190; Universal Declaration of Human Rights; UN Guiding Principles on Business and Human Rights.



Children: Child Safeguarding & Family Friendly Workplaces

Our approach is based on the [Universal Declaration of Human Rights](#), UN Guiding Principles on Business and Human Rights, the [UN Convention of the Rights of the Child](#), [The Children's Rights and Business Principles](#) and other applicable UN and ILO conventions.

The LEGO Group adheres to the principle that no child should be harmed by any business operation, either directly or indirectly. Child labour in any form is prohibited. Yet we want to go beyond this to have a positive impact on children. By supporting families, parents and carers in the workplace, we can have a positive impact on child development, particularly in the early years, while also promoting worker retention and loyalty.

10 Child labour is prohibited⁹



Responsibility Foundations

- 10.1 Child labour in any form – employed directly or indirectly – is prohibited.
- 10.2 The minimum age of workers is not less than the age of completing of compulsory schooling and, in any case, not less than 15 years.¹⁰
- 10.3 Age verification checks are carried out for all workers and evidence is documented.
- 10.4 If a child is found to be working directly or indirectly for the supplier, the LEGO Group must be informed immediately, and a remediation plan developed in consultation with the child's parents or guardian and the child it concerns. The plan must prioritise the

best interests of the child and enable the child to attend education until no longer a child. The employer must participate and contribute financially to the development and implementation of the remediation plan. The plan should include compensation for the child's family for lost income, as a minimum, at the local minimum wage. The LEGO Group reserves the right to involve local or international organisations to ensure proper remediation.

Best Practice Benchmarks

- 10.5 Employers actively engage with governments, civil society organisations and local communities to address the root causes of child labour (e.g. access to quality education).

⁹ Based on ILO Conventions 33, 138, 182; ILO Recommendations 146, 190; UN Convention of the Rights of the Child; The Children's Rights and Business Principles 1, 2, 10.
¹⁰ Or 14 years where established by local law in accordance with the ILO developing-country exception.



11 Workplaces are Family friendly¹¹



Responsibility Foundations

- 11.1 Annual and parental leave (e.g. maternity, paternity) is provided in accordance with local law.
- 11.2 The health and safety of pregnant workers is protected in accordance with legal requirements (e.g. through adjustment of work function to avoid exposure to hazards or ceasing night work).
- 11.3 Pregnant women and mothers are treated equally and without discrimination. Compulsory pregnancy testing is not allowed.
- 11.4 Wages are sufficient to cover food and housing expenses and other basic needs for the worker and his or her dependents and to provide some discretionary income.
- 11.5 Children do not have access to production areas, unless accompanied by responsible adults as part of an organised event such as a supervised tour.

Best Practice Benchmarks

- 11.6 Workers have a minimum of three weeks of annual paid leave and at least 14 weeks of paid maternity leave.
- 11.7 Special provisions are made to support the health and well-being of pregnant workers, going beyond minimum legal requirements if relevant (e.g. access to healthcare and nutrition advice, flexible working hours).

- 11.8 Special provisions are made to support the health and well-being of breast-feeding women and their children, including attention to working conditions, breast-feeding facilities and paid breast-feeding breaks.
- 11.9 Migrant workers are supported in maintaining contact with any children that are living separately from them.
- 11.10 Where accommodation is provided, family living spaces are made available to enable families to be together. The accommodation is safe and suitable for resident children.
- 11.11 Adequate childcare facilities for working parents are provided where appropriate (e.g. if not available locally) to support worker retention and family well-being. Childcare facilities should be accessible, affordable and sufficiently equipped and staffed to promote early childhood development.
- 11.12 Community initiatives to support family well-being (e.g. childcare facilities, educational provision, health care, access to clean water) are supported so that families of workers have access to basic facilities.
- 11.13 Worker dialogue, surveys or other assessments are carried out to understand the challenges facing working families.

¹¹ Based on ILO Conventions 183; ILO Recommendations 191; UN Convention of the Rights of the Child; The Children's Rights and Business Principles 1, 3, 4, 10.



Environment: Caring For the Environment

Our approach based on the UN Global Compact and the Sustainable Development Goals as well as other applicable laws and industry standards. The LEGO Group is committed to protecting the planet that our children will inherit. We also believe that upholding good environmental performance sets the stage for long-term business success.

We therefore go beyond legal compliance in our own production sites and encourage suppliers and partners to do the same. This includes a commitment to address climate change by investing in renewable energy and reducing our own emissions and in collaboration with suppliers.

12

Business is conducted in a way that minimizes environmental impact and embraces sustainability¹²



Responsibility Foundations

- 12.1 All national and local environmental protection laws and regulations are complied with and necessary environmental permits are maintained.
- 12.2 Environmental management systems are in place to monitor impacts (including energy, water use and waste) and to prevent, minimize and remedy any adverse environmental impacts of business operations and products.
- 12.3 Chemicals are stored, handled, transported, used and disposed of in an environmentally safe way and comply with the Safety Data Sheet (SDS) of each chemical product.
- 12.4 Hazardous and general wastes are separated and are appropriately stored, handled, transported and disposed of, where applicable, by an authorized company or licensed receiver.
- 12.5 Air emissions are treated prior to discharge proven by air emissions tests that meet all national and local emission standards.
- 12.6 Wastewater is treated prior to discharge proven by wastewater tests that meet all national and local standards.

Best Practice Benchmarks

- 12.7 Targets are set for reductions in energy and water use, waste and emissions to the environment. These are in line with climate science where relevant.¹³ Performance is measured and disclosed in a transparent manner to the LEGO Group, upon request.
- 12.8 Renewable energy is used wherever possible.
- 12.9 Virgin raw materials are avoided where possible with a shift towards the use of sustainable materials. Materials are re-used and recycled wherever possible.
- 12.10 Actions are taken to eliminate hazardous substances from supply chains. Where their use is unavoidable, accurate records are kept of their use and management.
- 12.11 Reasonable efforts are made to ensure that business operations, products or purchasing decisions do not have adverse impacts on vulnerable ecosystems or endangered species.¹⁴
- 12.12 The use of any substances that have an impact on global warming (e.g. HFCs, chlorine, etc.) is avoided wherever possible. Where their use is unavoidable, accurate records are kept of any leakage and servicing schedules.
- 12.13 Systematic reviews of environmental management systems are carried out to assess their effectiveness.

¹² Based on Rio Declaration on Environment and Development; UN Sustainable Development Goals; The Children's Rights and Business Principles 7.

¹³ As defined in the Science Based Targets Initiative. <http://sciencebasedtargets.org>

¹⁴ As defined by CITES and the IUCN red list.

Appendix A

Fire safety requirements

The LEGO Group expects fire safety provisions to be in place at all times. Specific requirements are:

- A.1** Appropriate and accessible fire safety equipment made available and regularly inspected.
- A.2** Appropriate systems to ensure electrical safety.
- A.3** Evacuation routes that are clearly marked and un-obstructed.
- A.4** Clearly marked emergency exits that open outwards.
- A.5** Two independent emergency exits per working area, except where one exit is allowed by local law.
- A.6** Regular training on fire safety for all workers.
- A.7** Independent and functioning emergency fire alarms, including visual fire alarms in noisy environments, which are regularly tested (at least every 12 months).
- A.8** Regular fire drills for all shifts are carried out at least every 6 months with records kept to show the date of drill, the number of workers safely evacuated and time taken to evacuate.

