



The LEGO Group

Responsibility Report 2017

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Read more at
[LEGO.com/
responsibility-
story](https://www.lego.com/responsibility-story)



Inspired by children: a letter from our owner

Children are our role models. They are natural learners and a source of imagination, discovery and wonder. Through the power of play we inspire children of all ages.

Play is vital to every child's development. When children play, they learn to solve problems, be creative and become resilient. It helps them to thrive in a complex and challenging world. The great – and powerful – thing about play is that children can build valuable life skills while they are having fun.

Children's natural approach to learning is an essential part of their development toward becoming the best possible builders of our shared future. This is why the shared mission of the LEGO® brand is 'To inspire and develop the builders of tomorrow'. Together, we strive to promote a systemic change around how play is perceived and how learning through play is adopted in early child development around the world. We want to show how children can develop new skills through playful learning so that they have the best opportunities to become creative problem solvers and fulfil their potential.

My great-grandfather, Ole Kirk Kristiansen, founded our company on the principle that 'Only the best is good enough'. It means that we want to make the best play experiences and be the best partner and

employer we can be. This also means taking care of our communities and always striving to do better, year after year.

At the LEGO group, we have always believed we can build anything we can imagine, and we will continue to push the boundaries of what is possible – and every single step will take us closer to leaving the best possible world for children to inherit.

Kind regards,
Thomas Kirk Kristiansen
Representing the fourth-generation owners of the LEGO Group



Many steps forward in 2017: a letter from our CEO

We are committed to making a positive impact on the world our children will inherit. Children inspire us – we admire their intuitive approach toward play and learning, and we in turn want to inspire children to take care of their society and environment.

In 2017, the LEGO Group took many steps – big and small – toward meeting our responsibility ambitions. Here are some of our most significant achievements:

- **The importance of learning through play and children's right to play.** We worked with the LEGO Foundation and our partner, UNICEF, to give children a voice during World Children's Day, where kids took over key roles in our organisation.
- **Delivering safe and high-quality play experiences for children.** We launched LEGO® Life, a social network for kids that provides a fun and safe on-line environment. It gives children a space to share their creations, to inspire other builders around the world and to become capable digital citizens.
- **Reducing our environmental impact.** 100% of the energy used to make LEGO bricks is now balanced by renewable energy generation in the form of wind power. We also renewed our partnership with the World Wide Fund for Nature (WWF) Climate Savers programme and together set ambitious targets to reduce our environmental impact.

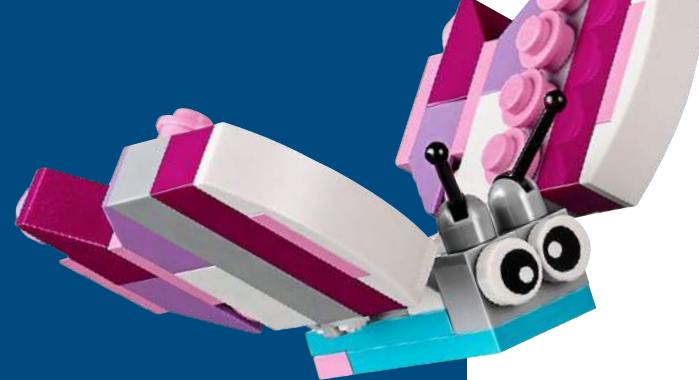
- **More sustainable products and packaging.** We are on a journey to make all our products and packaging from sustainable materials by 2030. In early 2018, the first sustainable LEGO elements will start to appear in boxes around the world.
- **Engaging with our local communities.** We reached over 400,000 children around the world with creative play experiences, engaging them in environmental and social issues and in building their ideas for a better world. Thousands of passionate LEGO volunteers made this possible during work hours and in their spare time.
- **Improving working conditions in our supply chains.** We worked closely with our partners in 2017 to care for their employees and the many others behind the bricks.

I am proud of the progress we have made. We will continue to challenge ourselves to reach the limits of what is possible to shape a better and brighter tomorrow for children.

Kind regards,
Niels B. Christiansen, CEO, the LEGO Group

'I am proud of the progress we have made. We will continue to challenge ourselves to reach the limits of what is possible to shape a better and brighter tomorrow for children'.

Niels B. Christiansen
CEO of the LEGO Group



Our commitment to the UN Sustainable Development Goals

The LEGO Group’s responsibility strategy is based on our LEGO® Brand Framework, which encompasses our mission, aspiration and values.

Our Planet Promise captures our commitment to create a positive impact on the world. We are committed to upholding the highest global standards for sustainability, and our actions support the United Nations Sustainable Development Goals (UN SDGs). In 2003, we became the first toy company to join the United Nations Global Compact – the world’s largest corporate social responsibility initiative. We remain committed to the UN Global Compact, and we have embedded sustainability initiatives into the company’s daily operations.

The UN Global Compact and the 17 UN Sustainable Development Goals provide a guiding framework for our responsibility strategy. Because children are the primary focus of the LEGO Group, we have concentrated on four UN Sustainable Development goals, where we can, through our work, create the greatest impact in the lives of children and the world they will inherit.

Mission	Inspire and develop the builders of tomorrow	
Aspiration	Globalise and innovate the LEGO System in Play	
Promises	Play Promise Joy of building. Pride of creation	Partner Promise Mutual value creation
	Planet Promise Positive impact	People Promise Succeed together
Spirit	Only the best is good enough	
Values	Imagination - Creativity - Fun - Learning - Caring - Quality	

Goals



Quality education

Ensure inclusive and quality education for all and promote lifelong learning.

We advocate for the transformative power of learning through play to be adopted in education and early childhood development around the world. We do this through the solutions we develop in LEGO Education and in partnerships and projects supported by the LEGO Foundation.

Read more on pages 8 and 11.



Responsible consumption and production

Ensure sustainable consumption and production patterns by reducing, reusing and recycling.

We will use sustainable materials in our core products and packaging, and we will eliminate all waste from our factories, offices and stores by 2030.

Read more on pages 21 and 27.



Climate action

Take urgent action to combat climate change and its impact.

In 2017, we achieved our ambition to balance 100% of energy used at factories, offices and LEGO retail stores globally with energy from renewable sources. Furthermore, we aim to reduce CO₂ emissions in our factories and value chain.

Read more on pages 21 and 22.



Partnerships

Revitalise the global partnerships for sustainable development.

We work with strong and inspiring partners to make the greatest positive impact for children, the environment and people. Our partnerships with UNICEF and the WWF provide a source of constant guidance, expertise and inspiration.

Read more on pages 11 and 21.



The LEGO Foundation: building skills for the future

The LEGO Foundation is dedicated to promoting the value of learning through play and empowering children to become creative and engaged lifelong learners. The LEGO Foundation works by redefining play, reimagining learning and enabling children to succeed through playful learning.

The LEGO Foundation owns 25% of the LEGO Group, ensuring that the profits from every LEGO® product sold help bring learning through play to children around the world. The ownership structure demonstrates the LEGO owner family's unwavering commitment to positively supporting children's development and funding research into creativity, play and learning. The funding and research of the LEGO Foundation are also at the core of our worldwide Local Community Engagement activities.

The LEGO Foundation equips, inspires and activates 'champions for play' in the form of thought leaders, influencers, educators and parents.

The LEGO Foundation creates systemic and lasting change through programmes that reach millions of children. It undertakes and shares research into creativity, play and learning, and builds the evidence that underscores the importance of play for children's development and learning.



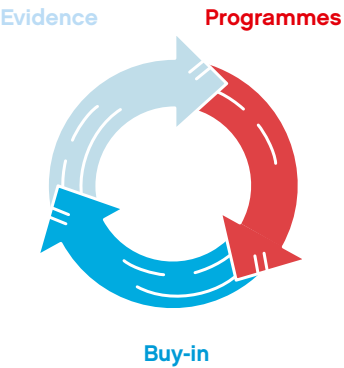
These activities are used by opinion leaders and regulators who have the power to make play a priority in children's lives.

In 2017, the LEGO Foundation reached 1.3 million children through its activities. For instance, in Bangladesh, Tanzania and Uganda, the LEGO Foundation has established a partnership with BRAC, one of the world's largest NGOs. Together, we are developing and piloting an affordable, high-quality, play-based early-childhood programme for 3–5-year-old kids. The programme is starting by launching 240 Play Labs for 7,000 children. It will also train 400 play leaders to run play-based learning activities with young children.

Across the Atlantic Ocean, in Mexico, the LEGO Foundation will support 9,300 early childhood centres through its new partnership with the National System for Integral Family Development (DIF). DIF will implement play-based learning using the LEGO Foundation's methodology, and this will have a positive impact on a large number of children.



Theory of change – how we work



1.3m
children engaged
through LEGO
Foundation
activities in 2017

Read more at
LEGO.com/
responsibility-
story

Children

We want to inspire children to learn through play and promote their safety and right to play

Children are curious, creative and imaginative, and they experience the world through play. We believe that a happy childhood full of playful learning empowers children to become lifelong learners. We work closely with our partners to change how play – and learning through play – is perceived.

The LEGO® name comes from the Danish 'LEg GODt', which means 'play well'. A growing body of evidence shows how play helps children develop the physical, social, cognitive, creative and emotional skills necessary to thrive in a challenging and changing world. The LEGO Group strives to deliver innovative physical and digital play experiences that stimulate and inspire the builders of tomorrow.

Children's rights, needs and opinions must be taken seriously, and children should have a role in influencing issues that affect all our futures. We were the first brand in the toy industry to establish a global partnership with UNICEF to promote and implement the 10 Children's Rights and Business Principles in our work.

We invest in quality and safety, and our approach ensures that safety is an overriding principle in how we design both physical and digital play experiences. We implemented UNICEF's Child Online Protection Guidelines when we developed the LEGO Group's Digital Child Safety

policy. And we launched LEGO Life, a social network for kids and tweens, to empower children by providing them with safe online play. We want to inspire and develop the builders of tomorrow.

10 Children's Rights and Business Principles

The 10 Children's Rights and Business Principles are developed by UNICEF, the UN Global Compact and Save the Children. They are the first comprehensive set of principles to guide companies on the full range of actions they can take in the workplace, marketplace and community to respect and support children's rights.



Case

Children's right to play

To celebrate World Children's Day, the LEGO Group and the LEGO Foundation opened their doors to the world's most creative geniuses – children. We wanted to help children voice support for their peers and share their thoughts on why every child should have the right to play.

World Children's Day celebrates the Conventions on the Rights of the Child – 54 essential rights for all children, including the right to voice their opinion and the right to play. The theme for UNICEF's activities was 'Kids Takeover', where children took over key functions in UNICEF-related entities and with partners and supporters around the globe.

'Children are our role models. We listen closely to what they have to say in everything we do, from creating sets to telling stories. We are excited to join our partners to raise awareness of children's rights, especially the right to play which is critical to their development', said Julia Goldin, CMO of the LEGO Group.

A select group of children took on the key responsibilities of LEGO Group Chief Marketing Officer, Julia Goldin, and Chairman of the LEGO Foundation, Thomas Kirk Kristiansen. The children directed a LEGO® advertise-

ment about the power of play – using their own words and creative ideas. The advert premiered across our online channels and gives a voice to the millions of children around the world who live without play.

Play is fundamental to the development of children's critical social, cognitive and creative skills that they need to thrive and succeed in a complex and changing world; we can't let them miss out on it.

Gary Stahl, Director of the UNICEF Division of Private Fundraising and Partnerships said, **'We are thrilled to be working with organisations such as the LEGO Group and the LEGO Foundation, as we collectively invest in the critical early years of children's lives through love, nutrition and play. Our wholehearted thanks go to both partners for helping make World Children's Day a global day for children, by children'.**



**Children
are our role
models**

Case

Safeguarding children in a digital world

For 85 years, our values of imagination, creativity, fun, learning, caring and quality have been at the heart of our commitment to provide the best play experiences with LEGO® bricks. Those same values now guide our ambition to deliver inspiring and safe digital experiences.

Our research shows that millions of parents around the world understand that digital technology is now a big part of their children's lives. Overwhelmingly, these parents want trusted partners to provide social media channels designed for their children.

Social media offer possibilities for children to connect with each other across the world, and share creativity and play experiences. We developed LEGO Life, a safe social platform that inspires children to build and share their stories and creations with thousands of other children around the world.

LEGO Life is designed to be a child's first digital social experience. It takes users by the hand and introduces them to the core concepts of a social network. LEGO Life features community moderation to ensure the content uploaded by users is safe for children, and that the comments are limited to fun LEGO emojis.

LEGO Life users choose an anonymous, randomly generated name, and build their own mini-figure avatar. The network features lots of cool, inspiring building challenges to engage children, as they follow their favourite LEGO themes.

There is also a safety pledge: 'Be safe, be cool, respect others and have fun'. This supports parents in talking to their children about digital safety and establishes a shared commitment to ground rules for online social behaviour. We encourage parents to share digital experiences together with their children, take an interest in their favourite apps, talk about digital protection, and take the safety pledge together with their children.

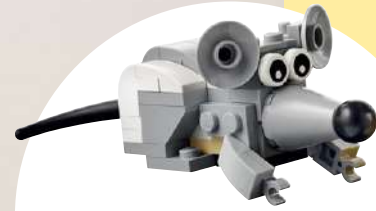
With our partner UNICEF, we have developed an industry-first digital child safety policy.

Gary Stahl, Director of the UNICEF Division of Private Fundraising and Partnerships said, **'With more children going online around the world we need to strike a careful balance between children's right to protection and their right to access information and express themselves online. The LEGO Group has helped us advance this agenda to ensure that children benefit from safe online experiences, while enabling them to create, play, learn and share in the digital world'.**



Be safe, be cool,
respect others
and have Fun





Linking the physical
and digital play
experience

Case Building, coding and cleaning up a river

The LEGO Group challenged children in London, UK, to apply their creativity and imagination, and solve real-world environmental and social challenges through coding.

RE:CODE London encouraged 450 school children to design, build and code a LEGO® prototype device to help remove rubbish from the River Thames, harnessing the power of physical and digital play in a playful and engaging environment. The programme gives children the freedom to explore, experiment and problem solve, nurturing skills such as critical thinking, collaboration and innovation.

RE:CODE London is a core component of an exciting partnership between the LEGO Group, the Mayor of London and the Institute of Imagination. It is also a part of the London Curriculum, a free resource for London schools that encourages classes to use the city as a living classroom.

abstract challenges to life in a fun way and empower children to help solve real world environmental challenges', said Kathrine Kirk Muff, Vice President of Social Responsibility at the LEGO Group.

Partnerships with the Mayor of London

The ambition of the LEGO Group's partnership is to provide more opportunities for children across London to access playful learning experiences that support the development of the skills needed for children to become future leaders and innovators. The aim is to stimulate critical science, technology, engineering and mathematics (STEM) abilities, as well as other life skills.

These initiatives will focus on early childhood educational resources and promote inclusiveness in STEM subjects through play and hands-on learning. Each initiative will bring organisations together to help children make the most of the city's creative and scientific opportunities.

'We want to enable children to shape their own future, by imagining it and then building it brick by brick. By combining the physical play experience with digital coding, we release the potential to bring



Case

Build to Give for children in hospitals around the world

To lift the spirits of children in hospitals during the holiday season, the LEGO Group ran a campaign called 'Build to Give'. We invited children from around the world to build and display ornaments, and in exchange, the LEGO Group donated over 40,000 LEGO® sets to hospitalised children in time for the holidays.

Tens of thousands of children at events throughout the UK, Canada, China, Czech Republic, Denmark, Germany, Hungary, Russia and the USA built imaginative decorations using LEGO bricks. The children displayed them on Christmas trees, windowsills, dinner tables and multiple social media channels, including LEGO Life. For every beautiful creation that was built and shared, we donated a LEGO set to children's hospitals around the world.

LEGO employees at offices and factories around the world were also engaged in building thousands of beautiful holiday decorations, sparking festive creativity and spreading seasonal cheer.

In the UK, LEGO certified professionals were in stores and at events to inspire children with expert LEGO building tips. Community partner Fairy Bricks took on the role of Santa's helpers to deliver donated LEGO sets to hospitalised children across the country.

'Build to Give is a truly amazing representation of the power of play. Through the simple act of building a Christmas decoration with LEGO bricks, thousands of children around the world helped share joyful play experiences with children less fortunate than themselves', said Kathrine Kirk Muff, Vice President, Social Responsibility at the LEGO Group.

The Build to Give campaign reached over 40,000 children in nine countries around the world. Thousands of LEGO ornaments were shared on LEGO Life and at LEGO Brand Retail stores.



40,000
kids in nine
countries
built to give





Environment



We focus on combatting climate change and reducing resource use

Together, we can build a brighter future for children by doing our part to protect the planet for future generations.

Our biggest contribution to society is to inspire children to learn through play and help them realise their full potential. In our work, we strive to safeguard the natural resources that children will inherit and minimise our environmental impact. To achieve this, we:

- work to reduce CO₂ emissions in our operations and supply chain,
- invest in renewable energy and sustainable materials,
- work to reduce and recycle waste, and
- inspire children to imagine sustainable solutions to important environmental challenges.

Responsible resource consumption

We continue to innovate, driven by our ambition of making all products and packaging from sustainable materials by 2030. In 2018, we will take our first small step on this longer journey and introduce a selection of LEGO® elements produced from plant-based plastic. We also have a 2030 target to reach zero waste in operations, and in 2017, we introduced sustainable paper pulp trays for the LEGO advent calendar, reducing the amount of plastic waste going into landfills.

Climate action

Our climate efforts include investing in renewable energy, reducing the amount of CO₂ consumed per LEGO brick produced and working with our suppliers to reduce CO₂ emissions in the supply chain. In 2017, the LEGO Group was awarded a score of 'A-' by the non-profit organisation CDP (formerly the Carbon Disclosure Project).

Partnership with the WWF

In June, we extended our partnership with the WWF. We have committed to further reduce CO₂ emissions in manufacturing and supply chain operations through this collaboration and to promote global action on climate change.

'Our partnership with the LEGO Group is a showcase of how businesses and NGO's can share important goals for protecting nature and our planet', said Bo Øksnebjerg, CEO of WWF Denmark.



Case

Celebrating our 100% renewable energy milestone



In 2017, we achieved our ambition to balance 100% of the energy we used to make LEGO® bricks with energy from renewable sources, three years ahead of schedule.

Since 2012, the LEGO Group's parent company KIRKBI A/S has invested more than DKK 6 billion to support the development of more than 160 megawatts of renewable energy generation. In 2017, the total energy output from the investments in renewables was 546 gigawatt hours, greater than the energy consumed at all LEGO factories, stores and offices.

The latest investment in renewable energy is a 25% stake in the Burbo Bank Extension wind farm off the coast of Liverpool, UK. The wind farm generates clean power for more than 230,000 British households.

In addition to the Burbo Bank Extension, KIRKBI A/S owns 31.5% of the Borkum Riffgrund 1 offshore wind farm in Germany, which can produce enough clean energy for 320,000 German households each year.



'Our investment in the Burbo Bank Extension wind farm means we have now reached the 100% renewable energy milestone three years ahead of target. Together with our partners, we intend to continue investing in renewable energy to help create a better future for the builders of tomorrow', said Niels B. Christiansen, CEO of the LEGO Group.

The LEGO Group works with other partners to advocate for investments in renewable energy, and we have joined RE100, a global initiative of companies committed to using 100% renewable energy.

Largest LEGO brick wind turbine

To celebrate reaching the 100% renewable energy target, the LEGO Group built the world's largest LEGO brick wind turbine – a Guinness World Records™ title. Built with 146,000 LEGO bricks, the wind turbine stands 7.5 m tall. It is a tribute to the record 200 m tall wind turbines of the Burbo Bank Extension wind farm – the largest windmills in operation globally.



546 GWh
of renewable energy generated in 2017

313 GWh
of energy used in our factories in 2017

Case

Inspiring children to put together the building blocks of a better planet

We want to inspire children to learn through play and to imagine and build their ideas and solutions for a better world.

Today's children are tomorrow's inventors, scientists, artists, educators and entrepreneurs. They express their creativity and imagination through play. Children's ability to think differently about the world is a strength and vital resource we want to nurture through building and play activities focused on sustainability. In 2017, we reached over 11 million children and parents with activities on environmental and social issues in local communities, at LEGO® stores and online.

To raise awareness of the importance of renewable energy, we built the world's largest LEGO brick wind turbine: a Guinness World Records™ title. Built with 146,000 LEGO bricks, the wind turbine stands 7.5 m tall and is a tribute to the Burbo Bank Extension wind farm, off the coast of Liverpool, UK.

Hundreds of children in Liverpool were invited to the LEGO Brand retail store to take part in building challenges. The children were encouraged to use

their creativity and imagination to build a renewable energy machine that can capture the wind and provide energy to power their lives.

As a part of the activities, children across the world were encouraged to join the LEGO Planet Crew on LEGO.com, where they took part in a mission to help protect the planet for future generations and share their views on the responsibility issues they feel the most passionate about.

We also engaged children and parents on the effects of climate change at the Climate Planet event in Aarhus, Denmark. The LEGO Group and our partner the WWF marked the occasion with a building event that involved hundreds of children creating habitats for endangered animals using green LEGO bricks.





Case

First sustainable LEGO® elements produced

Children around the world can soon play with the first sustainable LEGO elements that have been made using plant-based plastic.

We believe it is possible to make great play products for children using sustainable materials, and we are working hard with our partners to create new and exciting sustainable materials to be used in all our core products and packaging.

Our first step on this journey is the new LEGO botanical range of elements, made from plant-based polyethylene. Polyethylene is a soft, durable and flexible plastic used in LEGO elements such as leaves, bushes and trees. The new elements meet the high standards for quality and safety that consumers expect from LEGO products and will help children add a touch of sustainability to their imaginative creations.

Although polyethylene elements make up a small amount of the total number of different elements produced by the LEGO Group, it is an important step, a first for us. We will continue to innovate and develop improvements to reach our ambition of making all core products and packaging from sustainable materials by 2030.

Working with our suppliers and industry partners, we can influence and build demand for sustainably sourced materials. The LEGO Group has also joined the Bioplastic Feedstock Alliance, an organisation founded by the WWF, which seeks to engage in an informed and inclusive discussion about the critical issues facing the industry. The plant-based polyethylene used to make LEGO elements is certified by the Bonsucro Chain of Custody standard for responsible sourcing.

'At the LEGO Group, we want to make a positive impact on the world around us, and we are working hard to make great play products for children using sustainable materials. We are proud that the first LEGO elements made from plant-based plastic are in production and will be in LEGO boxes this year. This first step is only the beginning of our ambitious commitment of making all LEGO bricks using sustainable materials', said Tim Brooks, Vice President, Environmental Responsibility at the LEGO Group.

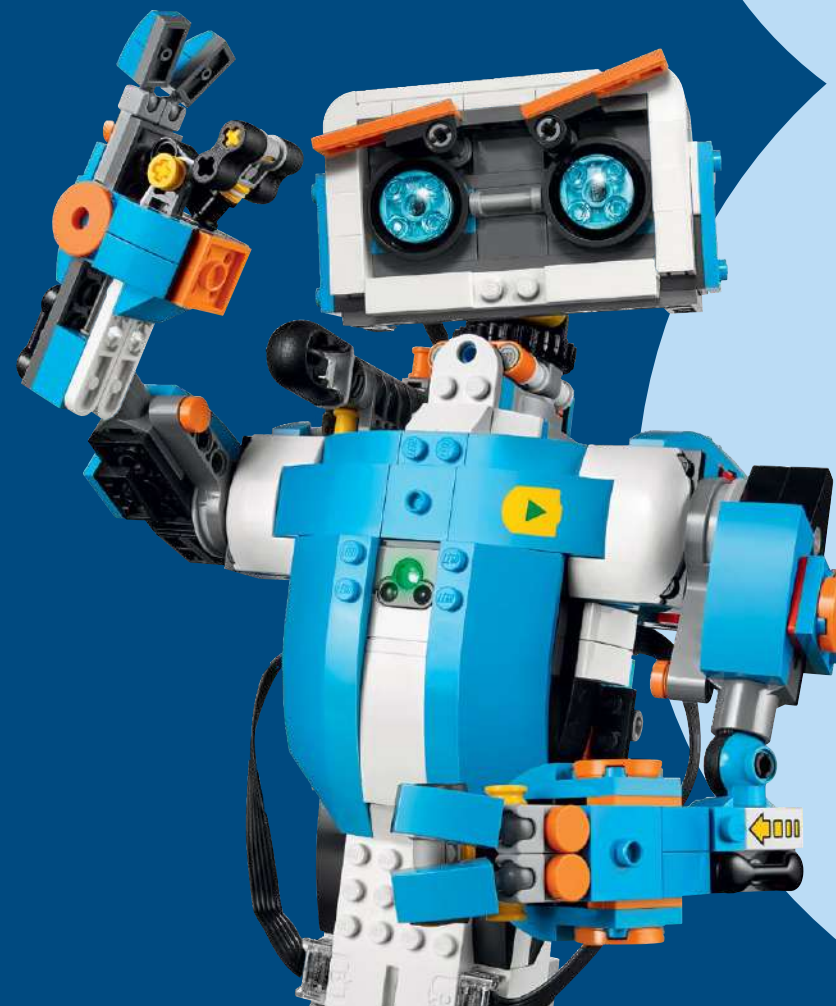


Core products and
packaging to be made
from sustainable
materials by

2030



People



We do business the LEGO® way because we care

Caring is one of the LEGO Group's values and captures our desire to make a positive difference in the lives of children and for our partners, colleagues and the world we live in, all while considering their perspective in everything we do. We do it not because we have to: but because it feels right, and most of all, because we care.

Caring also involves being the best place to work for our employees. We engage employees in our mission, in learning through play and in engaging with our local communities. We believe that people who are curious, creative and imaginative – who have a child-like desire to learn – are the best equipped to thrive in a constantly changing world.

2017 was a challenging year for the LEGO Group. Business growth slowed, and we took steps to reset the organisation. In September 2017, the LEGO Group announced it would reduce its global workforce by approximately 8%, or 1,400 positions. We provided affected employees with support to move to new positions internally or opportunities outside the LEGO Group.

A responsible supply chain

When making LEGO products, people matter. We care for the suppliers and partners with whom we do business, as well as the well-being of their employees.

We expect all our suppliers to treat workers with respect, pay fair wages, and ensure reasonable working hours.

Engaging local communities

We actively engage with the local communities where we are present. In 2017, our programmes inspired and improved the lives of more than 400,000 children in over 20 countries around the world.

We work in partnership with the LEGO Foundation to inspire and develop children, build employee engagement, and demonstrate our commitment to responsible corporate citizenship. Local Community Engagement activities rely on the passion and dedication of thousands of LEGO employees volunteering their time and efforts to this worthy cause.



Case

Dare to Care: we all have to look after each other

To achieve our long-term ambition of zero accidents, we must all take care of each other. We launched the Dare to Care programme pilot in 2017, which empowers employees to take responsibility for safety in the workplace and promotes mental health.

The goal of the Dare to Care programme is to encourage employees to play an active role in their own well-being, and look after that of their colleagues and business partners. Employees were trained in small group sessions where the focus was on education and awareness of health and safety.

The Dare to Care programme also promotes mental health across the company. During times of uncertainty, it is critical to ensure support systems are in place to allow people to recognise the signs of stress in themselves and their colleagues, making sure they can act upon those signs.

The work with safety and well-being is not about rules and finger-wagging; instead, we feel that it should be completely natural to reach out to colleagues and offer – or ask for – help.

The Dare to Care programme was rolled out to 65% of the employees at the headquarters in Billund, Denmark. Employees across the LEGO Group will take part in the training in 2018.

‘The health and safety of all our employees is a key priority that we will never compromise. Our ambition is to improve on our strong safety record and embed a safety culture throughout the organisation’, said Niels B. Christiansen, CEO of the LEGO Group.



zero
accidents is
our long-term
ambition

Case

'Training for the unexpected': LEGO® employees embody the spirit of play

Our employees are ambassadors for play in local communities. Their passion and dedication are behind the many events and activities that engage children in learning through play.

We encourage LEGO employees to become 'Play Agents'. This involves a serious (but fun) training programme developed in partnership with the LEGO Foundation. It provides an understanding of what play is, its significance and the tools they need to inspire children in our local communities.

'Play is training for the unexpected, it prepares us for life', said Thomas Kirk Kristiansen, representing the fourth-generation owners of the LEGO Group.

Play Agents were introduced to the LEGO idea that lifelong learning, imagination and creativity are stimulated by playful activities that encourage hands-on and minds-on creation, fun, togetherness, sharing of ideas and new solutions.

In 2017, almost 1,200 employees and external partners were trained

as Play Agents, bringing the total number of LEGO Play Agents to more than 3,000.

The Play Agent Heroes programme was introduced to expand Play Agents into new markets and languages. The programme aims to equip colleagues with the skills needed to train many more LEGO colleagues as Play Agents. In 2017, with more Heroes on board, the Play Agent programme grew to include new markets such as China and Australia, and our partner, UNICEF.



1,200
employees and
partners trained as
Play Agents
in 2017



Case

Responsible supply chain engagement

We want to have a positive impact on society – specifically on the lives of all the workers who help produce LEGO® products and on the environment.

We work with our suppliers to promote continuous improvements and ensure that they meet the requirements of the LEGO Code of Conduct. We expect suppliers to treat workers with respect, pay fair wages and ensure reasonable working hours. Child labour and forced labour are strictly prohibited.

This year, we reviewed how we report on social compliance so that we could be even more transparent and ensure that we share the data that are most relevant to our stakeholders. We publicly disclose our first-tier suppliers, and we report on the number of high-priority non-conformities found.

We believe it is important to apply our Code of Conduct to suppliers of raw materials, including all ingredients for LEGO bricks. Where needed, we will go deeper into our supply chain. In 2017, we introduced a policy on responsible sourcing of minerals used for electronic or metal components, ensuring these come from smelters that are part of the Conflict Free Smelters Programme.

To tackle environmental issues in our supply chain, we run the Engage-to-Reduce programme, which aims to lower the CO₂ emissions outside our own operations. The programme has been running for three years and supports key suppliers. The LEGO Group takes our suppliers with us on our sustainability journey, and we work with them to introduce improvement measures that minimise their carbon output and ours.

Suppliers first need to map their CO₂ emissions output to be able to reduce their footprint. We support our suppliers in this process by helping them report data through CDP (formerly the Carbon Disclosure Project), as well as identifying carbon reduction projects specific to their business. We also set up forums for knowledge sharing among their peers.

Carbon emission reductions are our first priority with our suppliers, and we plan to start working with them on reducing waste and water use too.




100%
of suppliers in
high-risk countries
audited in
2017

We are
working closely
with them to
resolve any
issues



39
key suppliers reported
their CO₂ emissions



In our annual
report, you can find
detailed information on
the LEGO Group's 2017
financial results.

[LEGO.com/about-us](https://www.lego.com/about-us)

You can also find
more stories, videos and
our non-financial
results for 2017 online.

[LEGO.com/
responsibility-story](https://www.lego.com/responsibility-story)

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