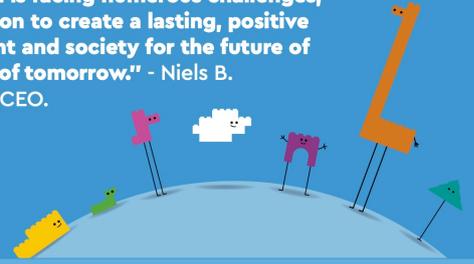


LEGO Group to invest big to accelerate sustainability efforts

The LEGO Group commits up to **US\$400 million over three years** to accelerate sustainability efforts

Investments will be made to create **more sustainable products**, achieve **zero waste** and **carbon neutral** operations, **circularity** and inspiring children to learn about sustainability through play.

"At a time when the world is facing numerous challenges, companies must take action to create a lasting, positive impact on the environment and society for the future of our children, the builders of tomorrow." - Niels B. Christiansen, LEGO Group CEO.

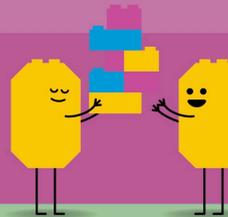


By the end of 2022, we aim to:

Children
Inspire them to develop life-long skills and learn about sustainability through play



Reach **8 million children annually** with learning through play through community programmes



Help families talk to children about **staying safe online** – **20 million adults** reached so far in 2020

Educate **+2 million parents and caregivers** about life-long benefits of play

Environment Make products and packaging more sustainable and reduce our impact on the planet



Expand brick-donation and reuse programme LEGO® Replay – **23,000 children** already benefitting in the USA



Trial recyclable paper bags inside LEGO® boxes to replace single-use plastic, as we move to make our packaging

100% sustainable by 2025



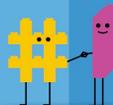
Increase use of sustainable plastics with our ambition of making all products **100% sustainable by 2030**

Cut water use by **10%**¹

Run **100% carbon neutral** manufacturing operations

Send no waste to landfill by end of **2025**

People
Fair, equitable, responsible workplaces



Continue protecting the rights and wellbeing of everyone involved in LEGO product production using our Responsible Business Principles



Continue to build **inclusive, safe & motivating** workplaces

¹Tracked against 2019 usage



packaging sustainable by 2025 and make further investments in achieving zero waste & carbon neutral operations and inspiring children to learn about sustainability through play

The LEGO Group has announced plans to invest up to US\$400 million over three years to accelerate sustainability and social responsibility initiatives. The investment will cover both long-term investments and ongoing costs. The company, which has made a series of moves over the past 10 years to build a better planet for future generations, believes it's increasingly urgent and important to prioritize environmental and social activity.

"We cannot lose sight of the fundamental challenges facing future generations. It's critical we take urgent action now to care for the planet and future generations. As a company who looks to children as our role models, we are inspired by the millions of kids who have called for more urgent action on climate change. We believe they should have access to opportunities to develop the skills necessary to create a sustainable future. We will step up our efforts to use our resources, networks, expertise and platforms to make a positive difference," comments Niels B. Christiansen, CEO, The LEGO Group.

As a next step, the company will begin to phase out single-use plastic bags used in LEGO boxes to package the loose bricks. This is part of its ambition to make all its packaging sustainable by the end of 2025. From 2021, Forest Stewardship Council-certified recyclable paper bags will be trialled in boxes.

"We have received many letters from children about the environment asking us to remove single-use plastic packaging. We have been exploring alternatives for some time and the passion and ideas from children inspired us to begin to make the change," adds Christiansen.

Moving away from the existing packaging is not a simple task and will take time as new material must be durable, lightweight and enhance the building experience. Several prototypes made from a range of different sustainable materials have so far been tested with hundreds of parents and children. Children liked the paper bags being trialled in 2021, as they were environmentally friendly and easy to open.

Long-term investment in building a sustainable future

In addition to developing and implementing sustainable materials, the up to US\$400 million investment will also focus on a range of social and environmentally focused actions to learn about sustainability through play, make the business more circular and achieve waste & carbon neutral operations.

Children

By 2022, the LEGO Group aims to reach 8 million children around the world annually with learning through play via a range of activities with partners, in collaboration with the LEGO Foundation. It will build on its work with organizations such as UNICEF, Save the Children and local partners to scale up programs that give children-in-need access to play and opportunities to develop life-long skills such as problem solving, collaboration and communication.

Circularity

The LEGO System in Play inspires endless play possibilities that support the principles of circular design – a product made of quality materials that can be used and reused. The quality, durability, safety and consistency of LEGO bricks means they can be passed from generation to generation.

Programs will be put in place to encourage people to donate their pre-loved bricks to children in need of play.

LEGO Replay, which was successfully trialled in the United States in 2019, will be rolled out in two additional countries by the end of 2022. To date, LEGO Replay has donated bricks to over 23,000 children across the United States.

Zero waste & carbon neutral operations

The Group's manufacturing operations will be carbon neutral by 2022. To achieve this, additional solar panels will be installed on all its factories and on-site capacity will be supplemented with the procurement of renewable energy. Further investments will be made to improve energy usage such as installing new systems that use ambient air in cooling processes during LEGO brick production.

"At a time when the world is facing numerous challenges, companies must take action to create a lasting positive impact on the environment and society. No one can do it alone. I urge companies, governments, parents, children and NGOs to continue to join forces to create a sustainable future for our children, the builders of tomorrow," concludes Christiansen.