Sustainability 2007 LEGO Group

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Sustainability

Connection with the Annual Report

The LEGO Group considers it very important to have a good dialogue with all significant stakeholders. In order to strengthen this dialogue, the LEGO Group issued its first Sustainability Report last year.

This Sustainability Report for 2007 provides detailed information on the results achieved in relation to defined stakeholder groups, with focus on stakeholder groups other than the shareholders. Moreover, the Report focuses on product safety and quality as well as on the value of LEGO play for the builders of tomorrow – LEGO bricks are more than just a toy.

While a traditional annual report focuses on financial results, the Annual Report of the LEGO Group for 2007 is a more holistic report. In addition to detailed information on financial results, the Annual Report also gives an overall description of all six stakeholder groups: consumers, customers, employees, business partners and suppliers, shareholders as well as the surrounding society.

The dialogue with all groups of defined stakeholders is very important for the development of the LEGO Group. Therefore, the Group has commenced working towards an integration of the Annual Report and the Sustainability Report with the objective of presenting one all-inclusive report aimed at all stakeholder groups.

The LEGO Group is still in the process of defining its approach to sustainability, and therefore the 2007 Sustainability Report has not been verified by a third party. The work of integrating the Sustainability Report and the Annual Report will also include working towards verification of selected data and information relating to all significant stakeholders.

The LEGO brick's 50th anniversary

On 28 January 2008, at 13:58, the LEGO brick could celebrate its 50th anniversary. At exactly that time, Gotfred Kirk Christiansen filed his patent application with the Danish patent authorities in 1958.

To celebrate the LEGO brick's 50th anniversary, and to give you, the reader, a 3D experience of our product, you will find two LEGO bricks attached to the cover of this Report. When reading the Report, you will several times be encouraged to try using the bricks in order to feel the special LEGO experience described.

ADDITIONAL BRICKS

If you are reading a PDF version of the Report, or if you need additional bricks, these can be bought online at <u>http://shop.lego.com</u> or in thousands of stores all over the world. You may also try our digital building system, LEGO Digital Designer, which may be downloaded from <u>http://www.lego.com/factory</u>

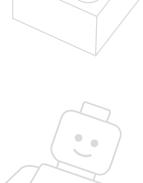
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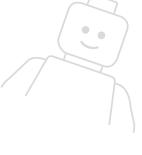
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Profile

The LEGO Group and key figures for 2007

The LEGO Group is more than 75 years old. The founder, Ole Kirk Christiansen, began developing toys back in 1932, and already in 1934 he hit upon the LEGO name by putting together the first two letters of the Danish words LEg and GOdt, meaning "play well".

The basic philosophy of the LEGO products is the concept of learning and developing through play based on the basic values of fun, creativity and quality.

On this basis, the LEGO Group has developed

into the world's largest enterprise within construction toys and one of the world's most well-known and respected brands. The company is still being owned by the Kirk Kristiansen family.

> Interaction with stakeholders is important for the LEGO Group,

for example in order to be able to create the right products to meet demand and ensure the right quality level. It strengthens the LEGO Group's competitive power and contributes to generating earnings that will secure the company's long-term survival.

The dialogue with the stakeholders of the LEGO Group is also decisive for the company's development as a sustainable business. In order to further strengthen its sustainability efforts, the LEGO Group joined the UN Global Compact in 2003 as the first and, so far, only company in the toy industry.

The stakeholder dialogue and the 10 UN Global Compact principles form the overall basis of the LEGO Group's sustainability efforts. LEGO Corporate Management, represented by the President and CEO, Jørgen Vig Knudstorp, and the Executive Vice President of Corporate Center, Christian Iversen, are overall responsible for the Group's sustainability efforts.

The LEGO Group's efforts in the area are described in detail in this Report and in the Annual Report. Further information about the LEGO Group can be obtained at www.LEGO. com/info.

Outsourcing of the production

In 2006 the LEGO Group commenced the process of outsourcing large parts of its production. This outsourcing will continue up to and including 2010, and consequently, within relatively few years, the LEGO Group will have changed from being self-producing to having part of the production outsourced to business partners.

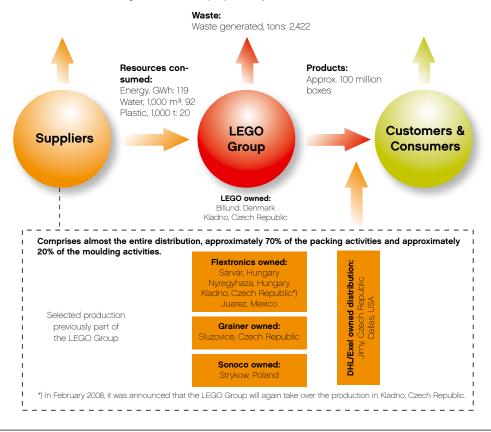
The outsourcing of the production to business partners changes the LEGO Group's possibilities of exerting direct influence and ensuring direct follow-up on material parts of the company's value chain. Great efforts are put into handling these changes, and a holistic approach to environmental impact is central to the LEGO Group's further work to ensure the right priorities, also in respect of the society.

The below figure gives an overview of the changes resulting from the outsourcing. The outsourcing is important for understanding the data presented in this Report as only data directly relating to the LEGO Group are included in this Report. For a detailed description of data measurement methods, please see page 24.

With respect to the LEGO Group's own environmental efforts, the environmental management system relating to the activities at Billund, Denmark obtained ISO 14001 certification at the end of 2007. Certification of the model building activities in Kladno, the Czech Republic, was not obtained in 2007 as originally planned, but is anticipated in the spring of 2008. Certification of the production in Kladno which was taken over only recently has not yet been clarified, but will be assessed during 2008.

Value creation is the foundation of sustainable growth, and therefore the results of the LEGO Group stated on the following page are presented with focus on the measurement and breakdown of value creation.

As shown by the key figures on the following page, the LEGO Group's results relating to all stakeholders have not yet reached the desired level. The company is making a focused effort to obtain improvements. The results are discussed in detail at the end of this Report, see page 21.

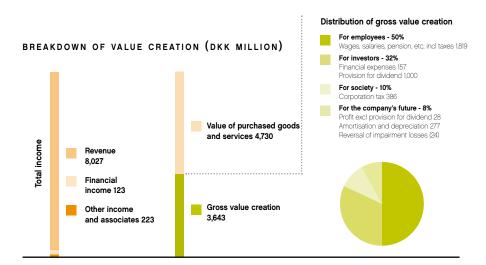


Overview of the outsourcing with focus on major, previously LEGO owned activities and selected data.

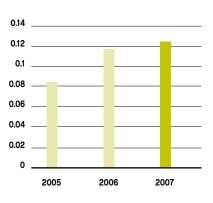


Key figures for 2007

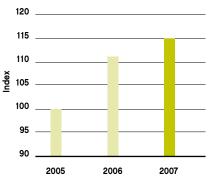
| Revenue | DKK 8.027 million |
|---|-------------------|
| Profit before special items | DKK 1,471 million |
| | |
| Net profit for the year | DKK 1,028 million |
| Operating margin (ROS) | 18.1 per cent |
| Return on equity (ROE) | 71.6 per cent |
| Return on invested capital (ROIC) | 69.7 per cent |
| Consumer Complaint Call Rate | 0.124 rate |
| Net Promoter Score Index | 115 index |
| Occupational injuries | 8.0 rate |
| Number of supplier audits relating to quality and code of conduct | 30 audits |
| Energy consumption | 119 GWh |
| | |



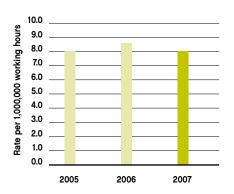
CONSUMER COMPLAINT CALL RATE



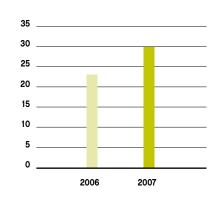




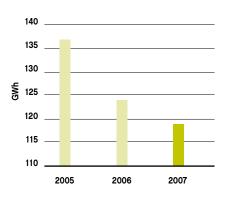
OCCUPATIONAL INJURIES



NUMBER OF SUPPLIER AUDITS



TOTAL ENERGY CONSUMPTION



World challenges are also LEGO Group challenges

The LEGO Group has always focused on good health and safety conditions for the employees and feels committed to developing the company to the benefit of the surrounding society.

In the 1960s, the Western World was easily impressed by growth and prosperity; resources were abundant, and growth was not believed to have any adverse effects. As years passed by, we became wiser, and today we are impressed by growth and prosperity only if such growth is sustainable – ie sustainable growth that does not compromise future generations.

True to its motto – "Only the best is good enough" – the LEGO Group also intends to live up to its commitments in a new and changing world in which globalisation sets the agenda for growth and prosperity. The motto is an expression of the LEGO philosophy that children are the main focus of the company: they deserve the best, and the LEGO Group aims at doing everything extremely well and always tries to get better.

One of the challenges in a globalised world is to ensure access to education and learning. Learning through play is the basic idea behind the LEGO products. The systematic creativity encouraged by playing with LEGO bricks conveys fun play, new knowledge and competencies to children of all ages. This applies to the youngest children who put their first LEGO DUPLO bricks together as well as to older children and adults who build LEGO MINDSTORMS robots that can sweep the floor or play bowling on a Nintendo Wii[®] console.

The training of LEGO employees is important. In connection with the outsourcing of the production, primarily from Denmark to Eastern Europe, the Future House was established at Billund, Denmark in 2007. The purpose of the activities of the Future House is to ensure that the employees' competencies are aligned with future job requirements, and to give advice in connection with training or in case of dismissal. In 2007 more than 700 employees attended courses, corresponding to more than 3,200 course days. In connection with dismissals due to the outsourcing of the production from the USA to Mexico and changes of the distribution in Germany, efforts have also been made to help the employees under notice, for example by using external job consultants and arranging local job fairs.

Man's impact on the global climate is a challenge for the entire world and is primarily attributable to the consumption of fossil fuels. Plastics, which are an important raw material in the LEGO Group, are polymers produced from fossil raw materials such as crude oil and natural gas. On a worldwide scale, approximately 5% of the fossil raw materials are used for the production of plastics - which results in an annual production of approximately 100 million tons plastic. The LEGO Group uses approximately 20,000 tons plastic a year, which means that even though the LEGO Group at Billund, Denmark, manufactures approximately 36,000 LEGO elements a minute, this only constitutes approximately 0.2 per mille of global plastics consumption. The consumption of raw materials, moulding, packing and distribution of LEGO products are all activities that use energy and therefore result in greenhouse gas emissions. It is therefore important to look at the impacts in a holistic perspective. The LEGO Group will continue working with the possibilities of reducing climate impacts, among other things through continued focus on optimising the distribution. In 2007 the LEGO Group also joined the Global Compact initiative "Caring for Climate".

Although 60 years have passed since the United Nations adopted the Declaration of Human Rights, the protection of human rights is still a





challenge in the globalised world. The protection of basic human rights and compliance with labour standards form the foundation of the LEGO Group's Code of Conduct, which sets the framework for the way the LEGO Group operates and for the standards which suppliers and other business partners are expected to meet. Through an audit programme, systematic efforts are made to make sure that the suppliers live up to their commitments.

As a consequence of these basic views and the LEGO Group's continuous efforts to be responsible, the LEGO Group joined the UN Global Compact in 2003 as the first company in the toy sector. The LEGO Group still supports

Hess & Min

Mads Øvlisen Chairman

the UN Global Compact and, in doing so, the LEGO Group commits itself to work for a more sustainable world.

Mads Øvlisen has been appointed to serve on the UN Global Compact Board, which on a global basis consists of 20 board members selected to represent various parts of society. The LEGO Group's commitment is further emphasised through this.

This Report shows that world challenges are also LEGO Group challenges and that solutions and innovation are to be found in the dialogue with the builders of tomorrow: the LEGO consumers.

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Jørgen Vig Knudstorp President and CEO



Mads Øvlisen Chairman



Jørgen Vig Knudstorp President and CEO



Management's approach and strategy

Integration of sustainability – the new strategy

The LEGO Group's stakeholders play a decisive role for the company. Only through dialogue with the stakeholders is it possible to disclose their expectations to the company – and only through meeting these expectations is it possible to ensure long-term, sustainable business.

The stakeholders' expectations can be divided into three areas:

Value creation

All stakeholders expect value creation, although this takes different shapes for different stakeholder groups. For example, retailers, ie the toy stores, expect good earnings, whereas the consumers expect value for their money, for instance in the form of many hours of play.

• Brand

The LEGO brand is one of the world's most well-known brands. The LEGO Group has built up this good reputation throughout its 75-year history, and the brand is based on play materials and experiences characterised by fun, creativity and quality. For the consumers, this involves expectations of high-quality products, and for the retailers, the brand raises expectations of increased traffic in the toy stores.

THE SIX STAKEHOLDER GROUPS

In order to ensure a systematic approach to the dialogue with LEGO Group stakeholders, Corporate Management has defined five primary stakeholder groups, all of which interact with the sixth stakeholder group, the surrounding society. The five primary stakeholder groups are defined on the basis of the supply chain.

The six stakeholder groups are:

- Consumers
- CustomersEmployees
- Business partners and suppliers
- Shareholders
- Society

Responsibility

Based on the strong brand values, the company also expects to be able to meet the high expectations from all stakeholders relating to corporate social responsibility. For example, the consumers expect that the company delivers safe and good products that meet all safety requirements and have been manufactured according to high ethical standards. The employees expect a good and safe working environment which provides good working conditions, but which also involves continued competence development in order to secure the employees' position on the labour market.

These three areas, value creation, brand and responsibility, are interdependent and support each other.

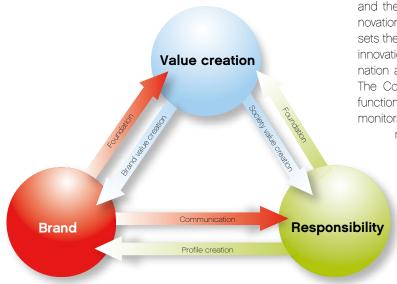
The better the products and services developed in line with the brand expectations, the higher the value creation, not only for the shareholders, but also for other groups of stakeholders. For the individual stakeholder, the advantages are obvious: The employees benefit from the creation of more jobs and consequently better development possibilities. Retailers benefit from the sale of more products and consequently obtain increased revenue. Business partners benefit from a higher activity level resulting in increased revenue. It is essential that this value creation does not take place to the detriment of the environment or at the expense of other stakeholders, and therefore responsibility is the final dimension of the creation of sustainable growth.

Through its dialogue with the stakeholders, the LEGO Group in 2007 reviewed its overall objectives for all stakeholders as defined in connection with the adoption of the company's strategy, Shared Vision. Moreover, the stakeholders' expectations, as interpreted by the LEGO Group, have been defined for the three areas. These expectations will set the framework and the overall direction for the objectives which the individual employee should try to achieve. The LEGO Group will follow up and report on these objectives.

Organisational foundation

Three areas of the organisation are overall responsible for the determination of objectives and the follow-up on these. The Brand & Innovation Board, a cross-functional body that sets the long-term direction for the brand and innovation, is responsible for the goal determination and follow-up in relation to the brand. The Corporate Compliance Board, a crossfunctional body that sets the direction for and monitors compliance with external and internal rules and regulations, is responsible for the determination of guidelines for and follow-up on responsibility. The objectives relating to value creation are rooted in the business plan, which is followed up by means of the management system.





STRATEGY, OPPORTUNITIES AND CHALLENGES

The Corporate Compliance Board is headed by Christian Iversen, Executive Vice President of Corporate Center. The Corporate Compliance Board also includes Jørgen Vig Knudstorp, President and CEO, and representatives of the finance department, the legal department, the quality department and the Corporate Governance & Sustainability department. Besides ensuring cooperation with the LEGO Group's Board, the last-mentioned department also ensures good sparring with Mads Øvlisen, Chairman of the Board, in his capacity as a member of the UN Global Compact Board.

Focus on responsibility

In connection with the focus on responsibility, the expectations from the stakeholders combined with, among other things, the UN Millennium Development Goals have formed the basis of the definition of five themes which will be the focus of the LEGO Group. This ensures that only issues and objectives requested by the LEGO Group's primary stakeholders are addressed.

The five themes are defined as follows:

- Protect natural resources to the benefit of future generations
- Reduce climate impacts
- Inspire children to care for sustainable development
- · Children's development, health and safety
- Employees' health and well-being

These five areas will set the direction of the company's work with corporate social responsibility. In 2008 the company will continue working on actual activities to be initiated within these overall themes.

In 2007 the LEGO Group signed the Global Compact initiative "Caring for Climate", which means that the company commits itself to make even more targeted efforts to reduce climate impacts. This is in fine agreement with the five themes defined. In 2008 the LEGO Group will continue its work of examining climate impacts and the possibilities of reducing these.

The LEGO Group will focus on the above-mentioned themes, but will still have a broad approach to sustainability. For example, in 2007 the LEGO Group followed up on the anti-corruption guide issued last year. This area has primarily been addressed by the procurement department, including the procurement office in Hong Kong.



EXCITING COOPERATION In 2007 the LEGO Group entered into cooperation with Vestas, the world's leading supplier of wind power solutions. The cooperation aims at attracting attention to wind energy by means of LEGO bricks, for example by displaying models in international airports.



STRATEGY, OPPORTUNITIES AND CHALLENGES

Protect natural resources to the benefit of future generations Reduce climate impacts Inspire children to care for sustainable development Children's development, health and safety Employees' health and well-being

LEGO play is more than just play

LEGO play is centred round LEGO bricks of a high quality and with numerous combination possibilities across the building systems. The immediate benefit is many hours of fun play. However, much more value lies beneath the surface.

Good play experiences have always been the centre of the LEGO products. But building with LEGO bricks also provides an additional, longterm effect: it strengthens systematic and creative skills as well as innovation and problem solving abilities.

To try this out, please take the two bricks attached to the cover of this Report. Try to build different letters – how many can you build? And what about stairs – how many different stairs can you build?

Most people will realise the things that are said about systematic skills, creativity and problem solving are not just words, but actually a process taking place when playing with LEGO bricks. Many will also say that it would be much easier if they just had some more LEGO bricks.

> The LEGO Group is very conscious about the positive long-term effects that LEGO play has on the consumers, and the LEGO Group has been working with the area since its foundation. Over the

past 25 years, the Group has been working on the development of concepts for the use of LEGO bricks for teaching purposes relating to children aged from 1½ to 16+ years. The work relating to teaching through play is united in LEGO Education, a profitable, growing business unit.

For the youngest children, the concepts are based on the use of LEGO DUPLO products for the purpose of learning, for example, simple mechanical processes. The teaching of older children comprises LEGO bricks as a basis for subjects such as green energy, mechanics and machines. The oldest students benefit from working with robots based on the LEGO MINDSTORMS products.

The initiatives of LEGO Education are based on LEGO bricks that can also be bought in retail stores, but are incorporated into special learning concepts which the teachers may use directly for their relevant teaching purposes.

LEGO Education has seen an increasing interest in the products that are tailored to create learning through play. In Scandinavia, nearly 150 schools, about half of these in Denmark, have now dedicated special class rooms to the use of LEGO products.

In the USA, Robotics is becoming a new discipline, replacing the old subject "Design and Technology" in schools. This is done as industry is becoming increasingly dependent on robotics. LEGO MINDSTORMS Education is the preferred learning material because it motivates the students. Moreover, the construction of robots forms a good basis for developing teamwork skills and working with subjects such as nature and technology, areas where it may generally be difficult to arouse children's interest. Among others, the 6th and 7th New York school districts placed orders for LEGO MINDSTORMS robots for all their schools in 2007.

The first LEGO Education Center in the USA opened in 2007 near Dallas. There are approximately 160 LEGO Education Centres, primarily in Asia, all offering courses and teaching based on LEGO products. Teaching primarily takes place out of school hours, but schools may also choose to visit the centres as part of their teaching activities.

Education is also high on the political agenda in countries such as Brazil, Russia, China and Malaysia, and in these countries, the LEGO Group is working to create a market that contributes to ensuring children's learning through play.

At the end of 2007, the first tests of new LEGO products were initiated with focus on education in developing countries, inspired by Nicholas Negroponte's "One Laptop Per Child" initiative and developed in cooperation with MIT Media Lab and Professor Mitchel Resnick.

Learning and education are important competencies in a globalised world, and for the LEGO Group, it is a good example of the combination of successful business and social involvement.

Play can solve real problems - FIRST LEGO LEAGUE

FIRST LEGO LEAGUE was established in cooperation with the American non-profit organisation FIRST (For Inspiration and Recognition of Science and Technology). Assisted by adult mentors, the participants in the FIRST LEGO LEAGUE use their imagination to solve real technological challenges and, in doing so, acquire important personal proficiency and learn how to contribute positively to society.

The problem dealt with by the more than 100,000 children and youths participating in the FIRST LEGO LEAGUE 2007 was alternative energy sources – how to meet global demand for energy. Under the heading "Power Puzzle", the participants from approximately 40 coun-

tries competed to find a solution to a theoretical and a practical problem. The final will take place in Atlanta, USA, on 17-19 April 2008. 90% of all participating teams come from schools.

In the theoretical part of the 2007 challenge, the children were to choose a building in their home town; describe its energy consumption, and propose how to save energy or use alternative energy. The practical exercise included programming a LEGO MINDSTORMS robot to place a solar collector on a house; placing windmills; planting trees; and replacing a petrol-guzzling car with a hydrogen car – all created in LEGO bricks.

Through initiatives such as FIRST LEGO LEAGUE, the LEGO Group works goal-orientedly on contributing to children's learning through play. Moreover, the learning activities address current and socially relevant issues; they contribute to attracting children's attention to and passing on knowledge about socially important issues.

The heading for the 2008 competition will be "Climate Connections", and the LEGO Group hopes that even more children will participate in these educational challenges to the benefit of society and the children's own development.





A STAKEHOLDER'S PERSPECTIVE – MITCHEL RESNICK LEGO appointed Professor of Learning Research at Massachusetts Institute of Technology (MIT), Media Lab.

The conception of play has fascinated Mitchel Resnick through decades. "Adults should not be ashamed of playing. Normally, we say that play is only for children. This is a mistaken attitude. We should all play throughout our lives – regardless of age. This is my opinion as it has been demonstrated that playing in the right way stimulates lifelong learning," Mitchel Resnick explains.

Mitchel Resnick works at the Media Laborator at Massachusetts Institute of Technology (MIT). This is where he has developed his views on when learning occurs in the most beneficial way. Over the years, he has built up a close relationship with the LEGO Group, and through this partnership, MIT has become involved in the development of the LEGO MINDSTORMS robot.

Focusing on creativity and testing the boundaries, Mitchel Resnick has always been a fan of LEGO products – when utilised in the right manner. "What is decisive of whether toys create valuable learning is both the type of toys used, and the type of play encouraged by the toy. If a child follows the building instructions, and then just leaves the finished LEGO model on a shelf, the degree of learning has not been very high," he says.

Instead, he would rather encourage children to build something completely different than the model shown on the cover of the box. And the LEGO products can also help in this respect:

"The products should present a number of building examples that will spark children's imagination. The LEGO brick can spark numerous playing and learning experiences if used in the right way."

Through many years, Mitchel Resnick has been strongly opposed to separating playing from learning. And he does not always like the products offered by toy manufacturers around the world:

"To be prepared for the future, children must learn to think and act creatively – in order to find innovative solutions to unexpected problems. This is why I object to the most common types of toys found in the stores today: Pre-made toys that take all the creativity away from children." This development in the toy industry is a problem not only for children. In Mitchel Resnick's opinion, it will remain a problem throughout our lives:

"Play is an approach towards life. An approach that enables you to constantly experiment and test new things. This ability of play will become increasingly important in the future."

STRATEGY, OPPORTUNITIES AND CHALLENGES

Product safety is essential to the LEGO Group

In the course of 2007, the toy industry saw a high number of recalls of toys that did not live up to product safety standards. This resulted in extensive attention in the media as well as among customers, consumers and legislators.

On the basis of this, the LEGO Group performed an extra review of the systems and procedures which are to ensure toy safety. Moreover, additional tests were carried out by independent test laboratories. No problems were identified in relation to the LEGO Group's products. The LEGO Group did not recall any products from the market in 2007.

However, the extensive focus on toy safety meant that the LEGO Group commenced an updating and development of the procedures to ensure ongoing documentation of LEGO toys meeting all safety requirements in force.

In the LEGO Group, product safety is an integrated part of the development of new LEGO products. This involves ongoing testing and monitoring of the individual elements and of the raw materials used. The requirements relating to materials are clearly described in the LEGO Group's comprehensive product safety manual, which is developed and updated on a ongoing basis.

The requirements are laid down by legislation and in various international toy standards developed on a ongoing basis. Representatives of the LEGO Group participate actively in this work, both in European, American and international bodies. For example, the LEGO Group holds the chairmanship of CEN/TC 52, which is the European committee responsible for the development of the European toy standard EN/71. New toy safety experience is on a ongoing basis included in the standardisation work. Finally, the many years of experience with the production of LEGO toys are taken into account in that a number of internal product safety requirements must also be met.

The many recalls in the toy sector have had the effect that, to an increasing extent, retailers require documentation that the toys meet all product safety requirements.

The LEGO Group is happy about this increasing interest, and a great many resources have been used during the year to present such documentation to customers and consumers.

The year's events in the toy sector have increased legislative activity, and both in the EU and in the USA, legislators will continue their work on revising legislation and increasing the authorities' possibilities of monitoring toys. In the EU, the directive on toy safety is being revised. The LEGO Group is actively following the legislative work in order to ensure its practical relevance and continued improvement. Whether or not required by legislation, the LEGO Group aims at producing the safest toys for the consumers.

Code of Conduct

Already in 1997, the LEGO Group drew up a set of guidelines expressing the minimum requirements which the suppliers are expected to meet with regard to labour standards, human rights, the environment and anti-corruption. These guidelines are formulated in the LEGO Group's Code of Conduct, which is regularly revised.

EXAMPLE OF PRODUCT SAFETY TESTING

How is a LEGO element tested? Depending on the type and use of the element, the individual element is tested in numerous ways before it becomes part of a LEGO product. For example, a DUPLO figure will first go through a number of chemical tests of the plastic material and the paint used for decoration. Then it will be submitted to physical and mechanical testing. In this example, it will primarily be tested whether the DUPLO figure meets a large number of requirements relating to size in order to exclude choking or swallowing hazards.

Then the figure is exposed to various strains, such as bite, twist, fall, pressure and pull testing. And the figure is tested for flaws or sharp edges that may damage the user. When these and a number of other tests have been successfully completed, the product is in principle ready to be included in the LEGO products. However, tests of the DUPLO figure will continue on a ongoing basis as long as it is being produced.

The production process also includes a '100% testing' procedure in which all figures are exposed to a pull test in order to verify that the figure is safe and that the production process is controlled.



a great recognition of many years' focus on product and concept development as well as safety and quality.

But how is quality felt and specified?

The ISO 9001 certified LEGO Group quality management system forms the basis of the systems and the underlying controls which are to ensure that quality is specified and monitored. For example, this is done through random sampling in order to assess whether the finished products fulfil the requirements specified. This process includes the counting of elements, the building of models as well as the assessment of the moulding quality, decoration and assembly.

Quality relates to more than just the product itself, and the LEGO Group is working with quality all the way from packaging to opening of the box, building instructions, pre-pack bags, elements, the building experience and the subsequent play experience. The play experience when the LEGO bricks are later on mixed with LEGO bricks from other LEGO boxes is also in focus. Last, but not least, there is also focus on quality in relation to consumer contact.

LEGO Group consumers primarily comprise children between the age of 1½ and 16, adult LEGO enthusiasts and parents, grandparents and other buyers of gifts. Although the quality has been specified and tested and meets the same standards, it may be experienced differently by different groups of consumers. For adult LEGO enthusiasts, who typically build very large and complex models, even very small tolerances may result in differences, for example when a huge number of bricks are built directly on top of each other. Generally, the LEGO Group works with tolerances down to 2/1000 mm.

Describing quality is not an easy task and includes more than just the product itself. Anyway, try to take the two bricks attached to the cover of this Report and put them together to build some stairs – and then take them apart again. Try to describe the special clutch power which you feel and which is fundamental to the LEGO system. Most people will say, 'yes, this is exactly how it should feel', but most will have difficulties describing the sensation.

Due to the fact that the sensation of quality is difficult to describe, the LEGO Group headquarters at Billund have established a Quality Room where the quality experience is demonstrated all the way on the basis of, among other things, LEGO models and LEGO packaging representing the right LEGO quality as well as examples of too low and too high quality – ie a quality that is not requested by the consumers. The contents of the Quality Room are regularly updated to include recent examples.

Corporate Management has overall responsibility for quality and safety, which, besides the product itself, also comprises service and brand. The LEGO Group Brand & Innovation Board, which sets the strategic direction of brand and innovation, also focuses on quality and safety, and examines the examples in the Quality Room in order to have constant focus on defining the right LEGO quality.

A STAKEHOLDER'S PERSPECTIVE HENRIK GJØRUP CEO, TOP-TOY A/S

Henrik Gjørup is frank in his evaluation of the LEGO Group's product safety. And as the CEO of TOP-TOY A/S, which owns the toys chain BR and Toys 'R' Us (Scandinavia), he knows the product he is talking about.

"We have very high confidence in your product safety, and we are sure that – following the large number of recalls from other manufacturers in 2007 – the LEGO Group has no plans of reducing product safety."

Henrik Gjørup has done business with the LEGO Group for 45 years – a valuable connection when also manufacturing product lines of its own, such as TOP-TOY A/S does. "In our opinion, the LEGO Group quality is 'second to none'. Internally in TOP-TOY, we usually say that only LEGO products may have a higher quality level than TOP-TOY products."

Henrik Gjørup points out that TOP-TOY A/S places the same, high demands on all suppliers who wish to enter the stores. Nevertheless, the question of quality has been up for debate in 2007. "For many years, our requirements to product safety and quality have

been very extensive, but actually they have been further tightened in 2007."



Consequently, Henrik Gjørup is convinced that TOP-TOY A/S is more than able to live up to the already strict standards of the toy industry. Moreover, he is convinced that the LEGO Group will also in 2008 be at the leading edge of product safety. Therefore, the best advice he can give is to copy the efforts from 2007. "I can only advise the LEGO Group

to maintain your current high level."





Results

Statement of results for the year

Below a description is given of the development in selected indicators for the LEGO Group's stakeholders, and follow-up is made on the targets set for 2007. For a follow-up on financial results, please see the Annual Report.

The development has not been satisfactory in several areas. As stated below, the LEGO Group has reviewed all areas and has set new targets, or transferred the existing targets, for 2008 (see the survey on page 23).

Consumer Complaint Call Rate The consumer complaint call rate for 2007 was 0.124 against a rate of 0.118 in 2006. Consequently, the target of a rate in 2007 of less than 0.075 was not reached. The effect of the LEGO Group's active effort to make call centre contact data more visible to consumers all over the world was underestimated when setting the target. Moreover, the increased complexity in the form of more bricks per box also has an effect. Taking this into account, the level for 2007 is as expected. In order to

secure a low rate, ongoing efforts are made to make sure that all LEGO elements live up to the right LEGO quality. Optimisation of the building process in order to avoid building mistakes that may result in complaints of missing elements is also in focus. The target for 2008 is to achieve a stable development with a consumer complaint call rate of maximum 0.125. It is, however, important to note that the number of consumer complaints is very low compared to the very large number of LEGO boxes sold.

Product Recalls

Manufacturing safe toys is absolutely essential to the LEGO Group, and the objective is to ensure that it will never be necessary to make any recalls due to safety issues. This target was reached in 2007. The target of no product recalls is maintained in 2008.

Net Promoter Score Index

Consumer loyalty increased in 2007 to an index of 115 against an index of 111 in 2006. Consumer loyalty is at a very high level, and the development is satisfactory and within the target set for 2007. There is still room for improvement concerning, for example, the delivery of goods sold online, primarily to the US market. On the other hand, the consumers are generally very satisfied with the LEGO Group consumer service. Thus, the European call centre in Slough outside London was awarded two prizes at the European Call Centre Awards 2007 in the autumn of 2007, including the prize for "Best Centre for Customer Service". The target for 2008 is an increase of the Net Promoter Score Index to 117

Customer Pulse

The LEGO Group wants to be the preferred supplier in the toy sector by delivering variation, store traffic, a high rate of turnover and good margins. It is therefore highly satisfactory that the feedback from the customers is generally developing positively. Thus, overall satisfaction increased from an index of 107 in 2006 to an index of 111 in 2007. Especially the positive development relating to service – an increase from index 99 in 2006 to index 108 in 2007 – is very satisfactory. Customer satisfaction is at a high level compared to the industry as a whole, and the LEGO Group is pleased with the good cooperation in 2007.

Talent retention

Talent retention for 2007 reached 100% and therefore meets the 2007 target of talent retention of at least 94%. The efforts to retain employees will continue in 2008.

Sick leave

In order to increase global focus on sick leave, the LEGO Group began collecting and consolidating absence data in 2007. For 2007, the sick leave rate ended at a rate of 3.2% and thus does not meet the target of a maximum sick leave rate of 2.9%. Sick leave rates in primarily the Czech Republic, Germany and Denmark are higher than Group average. The target of a maximum sick leave rate of 2.9% is maintained for 2008.

Occupational injuries

The rate of occupational injuries leading to sick leave per million working hours was 8.0 for 2007 against an accident rate of 8.6 for 2006. Thus, the target of a maximum accident rate of 6.0 was not reached. Primarily Denmark shows a higher accident rate than Group average. Additional efforts to ensure the reduction of the accident rate will continue in 2008, and the target of a maximum accident rate of 6.0 is maintained for 2008. The LEGO Group is pleased to note that absences as a consequence of accidents measured as frequency per 1,000 working hours decreased to 0.37 against 0.54 in 2006. The target of a maximum absence rate of 0.3 was, however, not reached. Also the target for a maximum absence rate of 0.3 is maintained for 2008.

Employee Pulse

Employees satisfaction with the LEGO Group measured by the annual "PULSE" survey developed very satisfactorily in 2007. Measured on a scale of 0-100, Employee Commitment increased from 73 in 2006 to 78 in 2007, primarily based on increasing indications from the employees to the effect that they could see themselves working for the LEGO Group also in the long term, and would recommend the LEGO Group as a workplace to others. Personal Leadership also increased, from 73 in 2006 to 76 in 2007, based on overall increased satisfaction with the immediate manager. Thus, the targets for 2007 for these two indicators were reached. Empowerment increased from 79 in



2006 to 81 in 2007, as the employees feel to an increasing extent that they are empowered to make the necessary decisions. Management's ability to set a clear direction also increased from 72 in 2006 to 74 in 2007, as the employees feel to an increasing extent that the Management of the individual areas set a clear direction. The targets for these two indicators were, however, not reached.

Suppliers

At the end of 2007, the LEGO Group recorded 213 active direct production suppliers against 234 in 2006.

In 2007, 22 audits took place to monitor compliance with the LEGO Group Code of Conduct. There is special focus on Asia, particularly China, although only 3 per cent of the LEGO Group's production value is derived from China. In order to monitor quality, ongoing audits are also carried out at the suppliers. However, actual quality audits are not performed in China, as the products are monitored on a ongoing basis and are moreover checked on dispatch. In case of any discrepancies in connection with the audits performed, these are used in the dialogue with the supplier in order to achieve and maintain the required level. Major discrepancies are reported and briefly described in note 7 (see page 27).

Energy efficiency

Energy consumption amounted to 119 GWh in 2007 against 124 GWh in 2006, corresponding to a decrease of 4%. Efficiency in the production was 4.40 MWh/ton raw materials against 3.90 MWh/ton in 2006. The efficiency for the administration was 0.23 MWh/m² in 2007 against an efficiency of 0.23 MWh/m² in 2006. Thus, the 5% efficiency target was not reached.

The extensive redeployments of materials and employees make it difficult to follow up on and calculate realistic targets. Despite the continued outsourcing, the LEGO Group maintains external targets for energy efficiency. For the production, changes due to the outsourcing are expected, which means that the target for 2008 has been set at maximum energy consumption per ton raw materials of 5.00 MWh. For the administration, the target for 2008 is set at 0.22 MWh per m² office space.

Survey of targets and target achievements

| | Target 2007 | | Target 2008 |
|--------------------------------------|-------------|---|-------------|
| Consumer Complaint Call Rate | ≤ 0.075 | _ | ≤ 0.125 |
| Product recalls | 0 | v | 0 |
| Net Promoter Score Index | ≥ 115 | v | ≥ 117 |
| Talent retention | > 94 | v | |
| Sick leave | ≤ 2.9 | - | ≤ 2.9 |
| Injury rate | ≤ 6.0 | - | ≤ 6.0 |
| Absence rate due to injuries | ≤ 0.3 | - | ≤ 0.3 |
| Employee Pulse: | | | |
| - Employee Commitment | ≥ 78 | v | ≥ 78 |
| - Personal Leadership | ≥ 75 | v | ≥ 77 |
| - Empowerment | ≥ 82 | - | ≥ 85 |
| - A clear direction | ≥ 75 | - | ≥ 77 |
| Energy efficiency: | | | |
| - Production MWt/ton raw materials | - 5% | - | ≤ 5.00 |
| - Administration MWt/m² office space | - 5% | - | ≤ 0.22 |

v = Target achieved in 2007

- = Target not achieved in 2007

Data measurement methods and the bases of calculations

The data presented in this Report comprise the LEGO Group as described in the Annual Report 2007 of the LEGO Group and cover the period 1 January 2007 to 31 December 2007.

The selection of data is based on an assessment of data of special importance to the LEGO Group's long term earnings. Moreover, in the LEGO Group's opinion, the indicators addressed are also of interest to LEGO Group stakeholders. The indicators will on a ongoing basis be challenged when new measurement methods become available.

Data have been calculated by consolidating data for the parent company (LEGO A/S) with data for all subsidiaries. The consolidation is based on data of a uniform nature and calculated under the same methods. However, data relating to health and safety only include data from plants with more than 100 employees. Similarly, environmental data only comprise production facilities. The measurement method remains unchanged from last year.

Through its strategy – Shared Vision – the LEGO Group has extensive focus on outsourcing the production, primarily to Eastern Europe and Mexico. This outsourcing makes it difficult to compare with previous years and with targets set for previous years, primarily in the environmental area. These changes are further described on page 3.

Data measurement methods and the bases of calculations relating to the individual stakeholder groups are addressed below; however please see the Annual Report 2007 for a description of measurement methods relating to financial results.

Consumer data

Consumer Complaint Call Rate The Consumer Complaint Call Rate is calculated as the number of consumer complaints received relating to products launched in the year of reporting as a percentage of the number of newly launched products sold. Due to the substantial Christmas trade, and in order to give a true and fair view, complaints received in January in the following year are also included in the calculation, corresponding to a 13-month period.

Product recalls

Product recalls are calculated as the number of launched products recalled from the market due to product safety issues.

Net Promoter Score Index

In connection with consumer contacts and the LEGO Group's online sales, randomly selected consumers are asked how likely they are, on a scale of 0-10 (10 = best), to recommend the purchased product or service to others. The development in responses at levels 9 and 10 is followed and is shown in the Report with 2005 as index basis.

Customer data

Customer Pulse

For an evaluation of the past year's cooperation with the customers, questionnaires are sent to the customers at the beginning of the following year, asking them to answer a number of questions within the categories products, marketing, service, partnership and value creation. The consolidated data are shown in the Report with 2005 as index basis.

Employee data

Number of employees

Comprises all employees paid by the LEGO Group, including permanently employed staff, contractually employed staff and trainees. The statement is calculated at the end of the year and measured as headcount.

Job classification

Senior Management comprises all Vice Presidents or levels above. Management comprises Senior Directors and Directors. Other employees are included in the group Others.

Talent retention

Talent retention is measured as the share of executives at Senior Management or Management levels who are included in the LEGO Group Talent Management Program at the beginning of the year, and who are still employed at the end of the year.

Employee turnover

Employee turnover is measured as the number of permanent employees who have voluntarily left the LEGO Group in the reporting period compared to the average number of permanent employees in the reporting period. The average is calculated on the basis of monthly data. The number of new employments and re-employments as well as dismissals is also stated.

Sick leave

Sick leave is calculated as time lost due to the employees' own illness. The absence rate is calculated as the number of absence hours as a percentage of the total number of working hours excluding holidays and non-business days.

Occupational injuries

The number of occupational injuries is calculated as the number of occupational injuries resulting in at least one day's absence following the day of the injury. The rate of occupational injuries is calculated per million working hours.

Absences as a consequence of injuries

The number of absence hours as a consequence of occupational injuries. The rate is calculated per 1,000 working hours, and the absence is calculated as from the day following the accident.

Employee Pulse

At the end of the reporting year, a survey is carried through in which all employees are asked to state their opinion as regards the LEGO Group as a workplace. The questions cover a wide range of the areas included in the LEGO Group's strategy and measure the employees' motivation and commitment. The results are used to identify significant target areas at Group and departmental level.

Data relating to suppliers and business partners

The number of suppliers includes the LEGO Group's active direct suppliers calculated at the end of the reporting period. The number is broken down by direct suppliers delivering for actual LEGO element products, and extended suppliers delivering for the extended product portfolio, primarily merchandise. Suppliers do not include indirect purchases.

The number of suppliers who have been trained and audited is calculated as the number of suppliers visited with a view to formalised monitoring and reporting of compliance with quality standards or Code of Conduct and subsequent dialogue and training.

The number of significant discrepancies is reported and briefly described. These form the basis of the continued dialogue with the suppliers in order to continuously work on improvements.

Data relating to society and environment

Water consumption

Water consumption is calculated as the quantity of water supplied to the LEGO Group.

Energy consumption

Energy consumption is calculated as the energy supplied to the LEGO Group in the form of electricity and heating. The energy efficiency is calculated in relation to the quantity of raw materials used or in relation to office space.

Raw materials

Raw materials are calculated as plastic granulate used in the production.

Waste

Waste is calculated as the recorded quantities of waste disposed from the LEGO Group.



Stakeholder data survey

| Sta | keholder data survey | Target | Target | | |
|------|---|---------|---------|-------|-------|
| Note | | 2008 | 2007 | 2007 | 2006 |
| | Consumers | | | | |
| | Consumer Complaint Call Rate | ≤ 0.125 | ≤ 0.075 | 0.124 | 0.118 |
| | Product recalls | 0 | 0 | 0 | 1 |
| | Net Promoter Score Index | ≥ 117 | ≥ 115 | 115 | 111 |
| | Customers | | | | |
| | Customer Pulse, index | | | | |
| | - Overall satisfaction | | | 111 | 107 |
| | - Products | | | 103 | 102 |
| | - Marketing | | | 103 | 102 |
| | - Service | | | 108 | 99 |
| | - Partnership | | | 104 | 101 |
| | - Value | | | 106 | 105 |
| | Employees | | | | |
| | Number of employees | | | 4,723 | 4,958 |
| | Women | | | 52.5% | 51.8% |
| | Men | | | 47.5% | 48.2% |
| | Talent retention | | > 94% | 100% | 97% |
| 2 | Employee turnover | | | 12.9% | 15.8% |
| | Sick leave | ≤ 2.9% | ≤ 2.9% | 3.2% | |
| 3 | Number of injuries leading to sick leave | | | 52 | 65 |
| 1 | Injury rate | ≤ 6.0 | ≤ 6.0 | 8.0 | 8.6 |
| | Absence rate due to injuries | ≤ 0.3 | ≤ 0.3 | 0.37 | 0.54 |
| | Employee Pulse, scale 0-100 | | | | |
| | - Employee Commitment | ≥ 78 | ≥ 78 | 78 | 73 |
| | - Personal Leadership | ≥ 77 | ≥ 75 | 76 | 73 |
| | - Empowerment | ≥ 85 | ≥ 82 | 81 | 79 |
| | - A clear direction | ≥ 77 | ≥ 75 | 74 | 72 |
| | Business partners and suppliers | | | | |
|) | Total number of direct suppliers | | | 213 | 234 |
| 6 | Number of trained suppliers | | | 26 | 32 |
| } | Number of audited suppliers | | | 30 | 23 |
| 7 | Number of major instances of non-compliance | | | 26 | 35 |
| | Society and environment | | | | |
| | Water consumption, 1,000 m ³ | | | 92 | 71 |
| | Total energy consumption, GWh | | | 119 | 124 |
| | Energy efficiency | | | | |
| | - Production MWh/ton raw materials | ≤ 5.00 | -5% | 4.40 | 3.90 |
| | - Administration MWh/m² office space | ≤ 0.22 | -5% | 0.23 | 0.23 |
| | Raw materials, plastics, 1,000 tons | | | 20 | 25 |
| | Waste, tons | | | 2,422 | 4,252 |
| | | | | | 1,202 |



Notes to stakeholder data survey

Note 1. Total number of employees, headcount

| | 2007 | 2006 |
|------------------------------------|-------|-------|
| Women | 2,478 | 2,566 |
| Men | 2,245 | 2,392 |
| Total | 4,723 | 4,958 |
| Asia | 144 | 143 |
| America, Australia and New Zealand | 1,069 | 1,248 |
| Europe | 3,510 | 3,567 |
| Total | 4,723 | 4,958 |
| Senior Management | 37 | 30 |
| Management | 263 | 230 |
| Others | 4,423 | 4,698 |
| Total | 4,723 | 4,958 |

Note 2. New employments, re-employments and resignations

| | 2007 | 2006 |
|------------------------------------|------|------|
| New employments and re-employments | 535 | 654 |
| Resignations, voluntary | 551 | 718 |

The number of employees dismissed by the LEGO Group in 2007 has been calculated at 450 (2006: 455). 256 of these relate to the outsourcing of the production in Enfield, USA, and 117 relate to the outsourcing of the distribution in Hohenwestedt, Germany. The employees were given notice concerning the outsourcing for 9 and 18 months, respectively, prior to the close-down.

Note 3. Number of occupational injuries

| | 2007 | 2006 |
|---------|------|------|
| America | 3 | 15 |
| Europe | 49 | 50 |
| Total | 52 | 65 |

Note 4. Injury rate

| | 2007 | 2006 |
|---------|------|------|
| America | 2.3 | 6.6 |
| Europe | 9.4 | 9.4 |
| Total | 8.0 | 8.6 |

Note 5. Total number of direct suppliers, end of 2007

| | Direct | Extended | Total |
|-------------------|--------|----------|-------|
| Asia | 28 | 24 | 52 |
| Rest of the world | 150 | 11 | 161 |
| Total | 178 | 35 | 213 |

Pre-assessments in relation to Code of Conduct have been made in respect of all new suppliers in Asia prior to the signing of contracts. In 2007, 19 pre-assessments were performed (2006: 19), and 7 suppliers were rejected (2006: 3). Of the suppliers in Asia, 14 are being handled by the ICTI-CARE process.

Note 6. Total number of trained and audited suppliers in 2007

| | | Training | | | Audits | |
|-------------------|-------|----------|-------|---------|---------|-------|
| Coo | le of | | | Code of | | |
| Con | duct | Quality | Total | Conduct | Quality | Total |
| Asia | 13 | 7 | 20 | 15 | 0 | 15 |
| Rest of the world | 0 | 6 | 6 | 7 | 8 | 15 |
| Total | 13 | 13 | 26 | 22 | 8 | 30 |

Code of Conduct audits are based on a risk assessment of each individual country, with special focus on suppliers in Asia. As regards quality control, actual audits are not performed in China, as the products manufactured are monitored on a constant and ongoing basis and are moreover checked on dispatch.

Note 7. Total number of significant instances of non-compliance observed at audits

| | Code of | | |
|-------------------|---------|---------|-------|
| | Conduct | Quality | Total |
| Asia | 15 | 0 | 15 |
| Rest of the world | 0 | 11 | 11 |
| Total | 15 | 11 | 26 |

Audits give rise to dialogue with the supplier, and major instances of noncompliance increase the focus on the process to ensure improvements.

The 15 significant instances of non-compliance with Code of Conduct can be summarised as follows:

5 relating to non-accessible documentation

4 relating to excessive overtime work

1 relating to false registrations

1 relating to non-guaranteed minimum wages

1 relating to delayed wage payment

1 relating to untruthful behaviour

1 relating to unsafe conditions in canteen and dormitory

1 relating to prior use of child labour

The 11 major instances of non-compliance relating to quality can be summarised as follows:

7 relating to non-compliance with requirements specified

2 relating to document management

1 relating to labelling of finished goods

1 relating to hygiene



Continued support to UN Global Compact

In 2003 the LEGO Group joined the UN Global Compact as the first company in the toy sector. For more than 75 years, the LEGO Group has based its business on good relations to its stakeholders, and the 7-year strategy plan – Shared Vision – once again confirms the importance of good stakeholder relations.

However, ensuring good stakeholder relations is not enough; it is also important that such relations are based on respect for basic values such as the protection of human rights and compliance with labour standards as well as efforts relating to environmental protection and the elimination of corruption. The 10 principles of the UN Global Compact are therefore important for setting up the framework for interaction and maintaining the objective of maximising value creation for all stakeholders.

On pages 6-7 the Chairman and the President and CEO express their continued support to the UN Global Compact. Below, references to mentioning in this Report and in the LEGO Group's Annual Report are briefly summarised in accordance with the UN Global Compact Office.

| Area | Principle | Reference to GRI indicator | Page |
|---------------------|--|---------------------------------------|---|
| Human rights | Businesses should support and respect the protection of internationally proclaimed human rights within the area in which it exerts influence | HR2: LA7: LA13: SO5: PR1: | 26-27, A 20-21 21-23, 26-27. 26-27, A27-29, A cover cover 17-19 |
| | 2 – Businesses should make sure they are not complicit in human rights abuses | HR2: SO5: | 26-27, A 20-21 cover |
| Labour Standards | 3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining | HR2: LA5: SO5: | 26-27, A 20-21 6-7, 26-27 cover |
| | 4 – Businesses should support the elimination of all forms of forced and compulsory labour | HR2: SO5: | 26-27, A 20-21 cover |
| | 5 – Businesses should support the effective abolition of child labour | HR2: SO5: | 26-27, A 20-21 cover |
| | 6 – Businesses should support the elimination of discrimination in respect of employment and occupation | HR2: LA2: LA13: SO5: | 26-27, A 20-21 26-27 26-27, A27-29, A cover cover |
| Environment | 7 – Businesses should support a precautionary approach to environmental challenges | EC2: SO5: | 6-7, 14-16 cover |
| | 8 – Businesses should undertake initiatives to promote greater environmental responsibility | EN1: EN4: EN8: EN22: SO5: | 26-27 21-23, 26-27 26-27 26-27 cover |
| | 9 – Businesses should encourage the development and diffusion of environmentally friendly technologies | SO5: | 9-11, 14-16 cover |
| Anti- Corruption | 10 – Businesses should work against corruption in all its forms, including extortion and bribery | SO3: SO5: | 9-11, 17-19 cover |

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Global Reporting Initiative (GRI) G3 overview Application Level of the LEGO Group 2007: Self-declared Level C

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| 3.3 | Reporting cyclecove |
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| 3.9 | Data measurement methods and the bases of calculations |
| 3.10 | Changes in measurement methods |
| 3.11 | Significant changes in the scope, boundary or measurement methods |
| 3.12 | GRI content index |
| 3.13 | Verification |

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GRI Report content/indicator

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A = LEGO Group's Annual Report 2007

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Views of lobbying

Feedback, information and knowledge obtained from external relations are used proactively and are implemented in the organisation. In order to ensure fair implementation, the LEGO Group has clear views of lobbying, stipulating that any involvement of the LEGO Group in external associations, organisations, etc must be transparent and be performed by dedicated employees with a well-defined mandate.

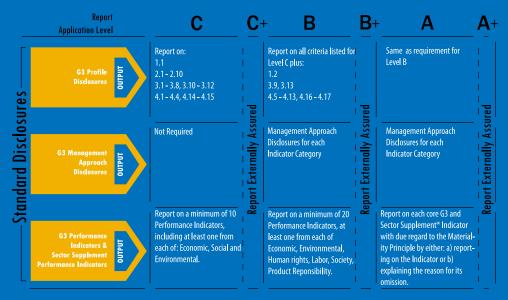
The LEGO Group has focus on the following areas:

- Intangible rights
- Toy safety, including children's health and safety
- Marketing towards children and familie
- Fair and free trade
- Corporate social responsibility

International and regional associations and initiatives in which the LEGO Group participates include the following:

- International Council of Toy Industries ICTI, through membership of local toy industry associations
- ICTI-CARE
- Toy Industries of Europe TIE
- Toy Industry Association TIA
- European Brand Organization AIM
- Global Standardization of Item Identification and Classification - EPC
- International Consumer Product Health and Safety Organization - ICPHSO
- European Committee for Standardization CEN
- International Organization for Standardization ISC
- ASTM International American Society for Testing and Materials

Global Reporting Initiative (GRI)



*Sector supplement in final version





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Choking hazard. Contains small parts. Erstickungsgefahr. Enthält Kleinteile. Risque d'étouffement. Contient des petites pièces. Pericolo di soffocamento. Contiene piccole parti. Verstikkingsgevaar. Bevat kleine onderdeeltjes. Peligro de asfixia. Contiene piezas pequeñas. Kvælningsfare. Indeholder små dele. Tukehtumisvaara. Sisältää pieniä osia. Kvävningsrisk. Innehåller smådelar. Perigo de sufocamento. Contém peças pequenas. Kívõuvoç πνιγμού. Περιέχει μικρά κομματάκια. immic.ta322.Bon374.Nrab15. Jvicto部品が入っていますので、ご注意ください。 有望息危险。内有小物件. 질식 위험. 작은 부품들이 들어있습니다.

Ryzyko połknięcia. Zawiera małe elementy. Prack удушения. Содержит мелкие детали. Nebezpečí spolknutí. Obsahuje malé šoučástky. Rizlko udusenia. Obsahuje malé časti. Fulladásveszély! Kis elemeket tartalmaz. Micruть дрібні деталі. Ризик потрапляння у дихальні шляхи. Opasnost od gušenja. Sadrži sitne dijelove. Opasnost zadušitve. Vsebuje majhne dele. Pericol de sufocare. Conține piese mici. Onachoct or задушаване. Cbaptwa малки части. Nosmakšanas risks! Satur sīkas daļas. Lāmbumisoht. Sisaldab pisidetaile. Pavojus uždusti! yra smulkių dalių. Boğulma tehlikesi. Kūçük parçalar ihtiva eder.



WARNING: CHOKING HAZARD. Small parts. Not for children under 3 years.

- AVERTISSEMENT : RISQUE D'ÉTOUFFEMENT. Contient des petites pièces. Ne convient pas aux enfants de moins de 3 ans.
- ADVERTENCIA: PELIGRO DE ASFIXIA. No recomendado para niños menores de 3 años. Contiene piezas pequeñas.