

# The LEGO Jiaxing Factory



# Introduction

The LEGO Group is a privately held, family-owned company with headquarters in Billund (Denmark) and main offices in Enfield (USA), London (UK), Shanghai (China), and Singapore. Founded in 1932 by Ole Kirk Kristiansen, and based on the iconic LEGO® brick, it is one of the world's leading manufacturers of creative play materials.



## Our commitment

We are committed to emphasising play as a significant contributor to children's development. Play has a profound impact on children's social, emotional and cognitive skills. This is why all LEGO® play experiences are based on the underlying philosophy of learning and development through play. It is also why we remain focused on providing fun and engaging play materials of the highest quality and safety to children.

Children's best interests and well-being have always been at the very core of our values: Imagination – Creativity – Fun – Learning – Caring – Quality. Our core values are important to us not only because they define who we are as a company and what we stand for, but also because they guide us in our work towards our ambition of enabling future generations to build a better world. We believe we can reach our ambition through our play materials and their contribution to children's development, but also through our social and environmental efforts, which we constantly seek to advance by staying true to our longstanding motto: Only the best is good enough.

## Innovating for children

LEGO® play experiences enable learning through play by encouraging children to reason systematically and think creatively. The LEGO System in Play is universally appealing and has unlimited possibilities. It encourages children around the world to engage in fun and creative play and allows them to build anything they can imagine.

All LEGO products are developed in Denmark by more than 250 designers that represent 35 different nationalities. While our designers have solid insight into children's play patterns and interests, our most valuable insight comes from children themselves. We include children in concept and product testing phases as an integrated part of our product innovation cycle.

Each LEGO element adheres to the strictest global safety and quality standards. This means that all our factories follow the same strict quality and safety regulations, and the methods used to produce LEGO elements are standardised across our factories. This ensures equally high quality across all LEGO elements and products regardless of which of our factories they are produced at.

# Our Journey

In 2015, after two years of construction, the LEGO factory in Jiaxing delivered its first LEGO® play sets to consumers in the Asia Pacific region. The 165,000 m<sup>2</sup> factory, which includes moulding of LEGO System bricks and processing- and packaging facilities, will support the growing market in Asia.

## Key milestones 2013–2016



# 432,000 storage boxes

LEGO® elements are kept in LEGO storage boxes, which are stored in an automated high bay warehouse.

## Welcome to 1,200 colleagues

By the end of 2016, we have welcomed 1,200 new colleagues to the factory. The factory will be onboarding even more employees in the coming years.

165,000 m<sup>2</sup> is the total size of the factory including 35,000 m<sup>2</sup> of moulding facility.

# = 20 football fields

## Production capacity

The LEGO factory in Jiaxing will produce millions of high-quality LEGO® elements every year.

In 2015 the LEGO Group sold more than

# 72 billion LEGO elements



## All LEGO® elements made since 1958 fit together no matter where or when they were made



# Sustainable solutions

Children need healthy environments to develop and thrive, and we want to contribute by minimising our negative environmental impact. That is why we continue to focus on preserving the environment and using resources responsibly to the best of our ability.

Here are some examples of best practices in energy efficiency and responsible use of resources that we have implemented in our factory in Jiaxing:

## Highly efficient

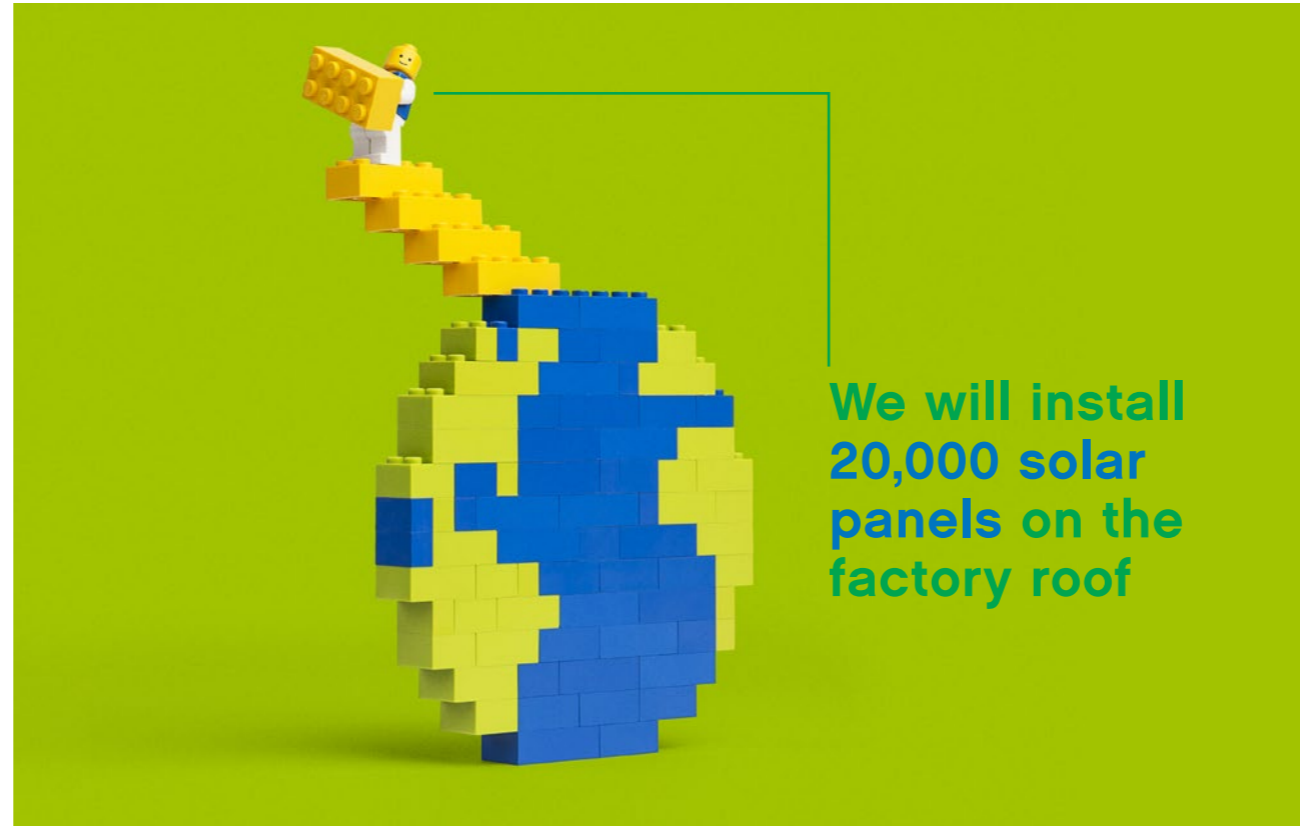
We have installed state of the art plastic moulding machinery to save energy. The Jiaxing factory is the LEGO Group's newest factory, and it serves the Asian markets.

## Prevention of soil erosion

To help prevent soil erosion, 80,000 m<sup>2</sup> of the area surrounding the factory is dedicated to greenery.



We use electric cars for onsite transportation



We will install 20,000 solar panels on the factory roof

## Electric cars

The factory in Jiaxing is vast, so we use electric cars for onsite transportation. Throughout the site, charging points are accessible, ensuring sustainable transportation is always available.

## Energy saving surfaces

Reflective surfaces prevent the sun from warming buildings, reducing the amount of energy needed for cooling. We have installed reflective surfaces across the factory roof, thereby reducing CO<sup>2</sup> emissions.

## Solar-powered water heater

The sun is an inexhaustible source of clean energy. We use solar energy for heating water for domestic use.

## Solar energy

Solar panels need two things to generate clean and sustainable energy: Large, flat spaces and of course sunshine. We will install 20,000 solar panels on the factory roof. They will generate almost 6 gigawatts of clean energy annually and reduce CO<sup>2</sup> emissions in Jiaxing by more than 4,000 tonnes per year. This is equivalent to approximately 7% of the factory's energy consumption.

## Smart LED lighting

We have installed LED lighting and movement sensors throughout the factory. Additionally, we have installed daylight sensors in the office areas. This means we only use energy on lighting when needed and never "forget" to switch off the light.

## Natural irrigation

It takes energy to make tap water – using naturally occurring water saves energy. The green spaces surrounding the factory are irrigated with naturally occurring water and no tap water is used.

## Climate friendly cooling

The LEGO Group acknowledges the challenges of climate change and as part of our action to address climate change, the factory's cooling system uses no greenhouse gases (HFCs).

# People and culture



The LEGO Group culture is based on openness, trust and care for our employees. Our employees are fundamental to our success, and we want to give them the safest working conditions possible – no matter where in the world they are.

Today, more than 1,200 dedicated employees contribute to the running of the factory in Jiaxing, and it is important to us that they all feel welcome, included, and motivated to come to work.

## Our initiatives

We put focus on open communication with our employees by encouraging them to submit complaints, feedback and ideas via an anonymous Suggestion Box. Our employees are many and diverse, and we need to ensure that they all feel included which is why we also conduct regular town

hall meetings. We take our employees' opinions very seriously, and we are open to change that will improve their well-being and motivation.

**We engaged children** of migrant workers in the Jiaxing Summer Camp. Together with teachers, NGOs, and university students, employees from the factory in Jiaxing and the office in Shanghai volunteered to help give children a fun and playful Summer Camp experience. Many families migrate to the metropolis in search for work. They have to grow accustomed to a new life in a new city, which can prove challenging for them and for their children. Through Local Community Engagement activities, such as our Summer Camps, we aim to give back to the local community, by engaging children and their families through fun and inspiring play experiences.

**We help our employees develop new skills and talents** professionally and personally through the LEGO JIA Labour Union. The Labour Union's focus is to activate employees' enthusiasm and motivation on and off work through various activities, such as movie nights, activities for the Women's Committee, barbeque get-togethers, flower decoration activities, hiking, and photography contests.

As part of their initial training and introduction to the LEGO Group, new employees within various functions at the factory in Jiaxing visited other LEGO sites to learn best practices and build capabilities and competencies towards their daily tasks.

**We continue to prioritise the safety of our employees** by conducting regular safety walks at the site each year. We also encourage all our employees to report safety observations to eliminate the risk of incidents, and we follow up at weekly Employee Health and Safety meetings. These are just a few of the many initiatives we carry out at the factory to ensure a safe work environment.

**We invited employees and their families** to participate in two fun-filled days at the factory. Engaged volunteers transformed areas of the factory into activity centres with entertaining games, LEGO play, mini cinema and raffles for the more than 2,000 children and adults to enjoy.

**Our employees are many and diverse and we need to ensure that they all feel included**



Learn more about the LEGO Group  
and LEGO Group activities at  
[www.LEGO.com/aboutus](http://www.LEGO.com/aboutus)

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