

GREEN TRANSFORMATION TOWARDS SUSTAINABLE DEVELOPMENT

Your Excellency, Prime Minister Chinh and respected Ministers and Vice Ministers, I would like to first thank you for this opportunity to share LEGO Manufacturing's perspective on investment in Vietnam I share this on the basis of our experience from the last 18 months. With the help and with great collaboration, support and guidance from Government Leaders, Ministries in Hanoi and Binh Duong authorities, we have managed to get all our initial phase approvals in place... Thank you very much and this to us demonstrates the openness and accessibility of Vietnam. Let me now share some additional perspective on what can further enhance Vietnam's investment climate:

a) For years, Vietnam has had an open and stable investment climate, and it is a crucial factor when foreign investors look at when they conduct their internal assessment to determine the best location to invest in Asia Pacific. By keeping this eco-system stability, Vietnam will continue to create its credibility with investors as well as affirming its leading position in attracting foreign investment in the long term. Transparency and predictability of the business environment is very important for foreign investors and sudden changes in policies without adequate notice or duplicative rules should be avoided to preserve competitiveness and build investor trust.

b) Vietnam has established many labor friendly policies for workers, but it is important that the Government partners with industries to continue to invest in upskilling the labor force – moving away from low-cost labor to high-skilled workforce. By doing this, Vietnam will keep his competitiveness with other countries in the region and in the world. And in parallel, keep investing in quality education at all ages. The more people are educated and receive skills training, the faster the country will develop.

c) At the same time, we recommend that the government continue to invest in infrastructure, because it is the backbone of the economy. A country with a dense and efficient transport network (road, rail, sea and air) will contribute to its development and socio-economic growth.

d) For foreign direct investors who are very committed to reducing their carbon footprint and want to invest for to protect our planet for many future generations through sustainable development, a “fast track” and simplification of approval time of administrative procedures is needed. Companies who wish to provide sustainable expertise whether it be via renewable energy, reducing waste or carbon neutral construction should receive strong support.

e) Besides, the Government should also support companies that are ready to invest in their own green power for their own consumption. At the LEGO Group, we are in transition from traditional energy to greener and cleaner renewable energy. This transformation will take a big leap with the factory in Vietnam and progress to all the LEGO Group factories which will also become carbon-neutral run in the future.

Finally, I would like to thank the Government Leaders of Vietnam, Ministries, Binh Duong province Leaders and provincial departments for their enthusiastic guidance and valuable support to our factory in VSIP III, Binh Duong Province. Receiving our Construction Permit is another important milestone for the LEGO Group as well as an affirmation of the strong commitment of the Vietnamese Government in creating favorable conditions for foreign investors to invest, expand and develop their presence to help Vietnam realize its goals of sustainable economic development.