



Statutory Report on **Corporate Governance** 2020

This report is prepared according to section 107b of the Danish Financial Statements Act for the accounting period 1 January 2020 - 31 December 2020

Contents

- 3 Preface**
- 4 Management structure**
- 7 Governance principles**
- 9 1. Communication and interaction by the company with its investors and other stakeholders**
 - 1.1. Dialogue between company, shareholders, and other stakeholders ●●●
 - 1.2. General meeting ●●
 - 1.3. Takeover bids ●
- 11 2. Tasks and responsibilities of the board of directors**
 - 2.1. Overall tasks and responsibilities ●●●●●
 - 2.2. Corporate social responsibility ●
 - 2.3. Chairman and vice-chairman of the board of directors ●●
- 13 3. Composition and organisation of the board of directors**
 - 3.1. Composition ●●●●●●
 - 3.2. Independence of the board of directors ●
 - 3.3. Members of the board of directors and the number of other executive functions ●●●
 - 3.4. Board committees ●●●●●●●●
 - 3.5. Evaluation of the performance of the board of directors and the executive board ●●●
- 19 4. Remuneration of management**
 - 4.1. Form and content of the remuneration policy ●●●●●
 - 4.2. Disclosure of the remuneration policy ●●●
- 21 5. Financial reporting, risk management and audits**
 - 5.1. Identification of risks and transparency about other relevant information ●
 - 5.2. Whistleblower scheme ●
 - 5.3. Contact to auditor ●●

Signature

- The company complies with the recommendation.
- The company partly complies with the recommendation.
- The company does not comply with the recommendation.



This statutory corporate governance report (hereinafter referred to as “the report”) covers the period 1 January 2020 - 31 December 2020 and is prepared pursuant to section 107b of the Danish Financial Statements Act. The report forms part of management’s review in the Annual Report 2020¹.

Corporate governance principles

Corporate governance is defined as “the system used to manage and control a business” i.e. for “control and management” of companies through ownership, board structure, remuneration systems, company law, etc.

Furthermore, the Danish Corporate Governance Committee² (the Committee) defines that the purpose of corporate governance is to support value creation and accountable management, thus strengthening the long-term competitiveness of the companies. The Committee’s recommendations are intended to help ensure confidence in companies.

Danish recommendations on corporate governance

Pursuant to section 107b of the Danish Financial Statements Act and Nasdaq’s Nordic Main Market Rulebook for Issuers of Shares, Vestas as a listed company must state its position to the Committee’s recommendations. This must be done using the “comply or explain” principle.

Vestas’ position with regard to each individual recommendation is described in this report. It is specified in the recommendations on corporate governance that it is just as legitimate to explain a deviation from a specific recommendation as to comply with the recommendation. The key issue is to create transparency in corporate governance matters.

Adopted by the Board of Directors of Vestas Wind Systems A/S
February 2021

¹ The report can be found at the company’s website under “Investor”.

² For further information about the Committee, see <https://corporategovernance.dk/>

Management structure

Vestas Wind Systems A/S (the company) is a Danish limited liability company with a two-tier management structure in which the Board of Directors (the Board) and the Executive Management are responsible for the management of the company's affairs. The two bodies are separate, and no members hold dual membership of both. The company is also the parent company of the Vestas Group.

The management of the company is governed by the company's Articles of Association³, the Danish Companies Act, and other applicable EU or Danish laws and regulations.

Shareholders

The company's share capital amounts to DKK 201,973,452, and its shares are listed on Nasdaq Copenhagen under the ticker symbol VWS. Vestas has one share class and a total of 201,973,452 shares, which are 100 percent free float.

General meeting

The general meeting, consisting of the company's shareholders, is the supreme management body and the supreme authority in the company and is subject to the limits laid down by EU and Danish law and the company's Articles of Association.

Shareholders may exercise their right to make decisions with regards to the company at the general meeting. The general meeting is held at least once a year. All shareholders are, with a few formal requirements, entitled to have equal access to submit proposals, attend, vote, and speak at general meetings, ref. articles 4 and 6 of the Articles of Association³.

Shareholders - update 2020

On 7 April 2020, the Annual General Meeting was conducted in Aarhus, Denmark. Additional information such as minutes of meeting and an overview of the votes cast is available at the company's website under "Investor".

In accordance with section 30 of the Danish Capital Market Act, on 8 October 2020, BlackRock Inc. (Wilmington, DE, USA) notified Vestas that the investment management corporation owned 10,560,970 Vestas shares, corresponding to 5.36 percent of the share capital in Vestas at the time of the notification.

Board of Directors

Pursuant to the its Articles of Association, the company is managed by a board composed of 5-10 members elected by the general meeting and a number of representatives elected by the employees.

Board members elected by the general meeting must retire at the following annual general meeting. However, such board members shall be eligible for re-election, ref. article 8(1) of the Articles of Association.

Board members elected by the general meeting may be recommended for election by the shareholders or by the Board.

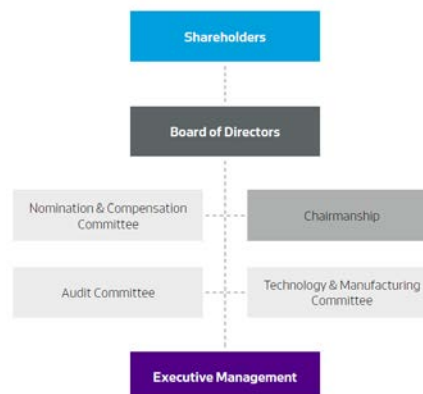
At the end of 2017, the Board defined a target to reach equal gender distribution among the board members according to the Danish Business Authorities' definition⁴ no later than in 2021.

³ The document can be found at the company's website under "Investor"

⁴ Source: Danish Business Authorities: Guidelines on target figures, policies and reporting on gender composition of management. March 2016.

⁵ Registered as executives with the Danish Business Authority.

Vestas' management structure



Members of the Board of Directors

Bert Nordberg, Chairman
Lars Josefsson, Deputy Chairman

Anders Runevad
Bruce Grant
Carsten Bjerg
Eva Merete Søfelde Berneke
Helle Thorning-Schmidt
Karl-Henrik Sundström
Kim Hvid Thomsen
Michael A. Lisbjerg
Pia Kirk Jensen
Sussie Dvinge Agerbo

Members of the Audit Committee

Karl-Henrik Sundström, Chairman

Bert Nordberg
Carsten Bjerg
Eva Merete Søfelde Berneke

Members of the Technology & Manufacturing Committee

Lars Josefsson, Chairman

Anders Runevad
Bruce Grant
Carsten Bjerg

Members of the Nomination & Compensation Committee

Bert Nordberg, Chairman

Anders Runevad
Eva Merete Søfelde Berneke
Helle Thorning-Schmidt

Members of the Executive Management

Henrik Andersen, Group President & CEO⁵
Marika Fredriksson, Executive Vice President & CFO⁵

Anders Nielsen, Executive Vice President & CTO
Christian Venderby, Executive Vice President & CSO (Service)
Juan Araluce, Executive Vice President & CSO (Sales)
Kerstin Knapp, Executive Vice President & CPO
Tommy R. Nielsen, Executive Vice President & COO

Independency

Seven members of the Board qualify as independent as defined in the Danish Recommendations on Corporate Governance.

Anders Runevad, who in 2013-2019 served as the company's Group President & CEO, does not qualify as non-independent, and neither do the four members of the Board, who are employee representatives.

Duties of the Board of Directors

The Board is responsible for the overall operation of the company and, through the independent oversight of management, accountable to the shareholders for the performance of the business. They also deal with the overall and strategic management of the company, including:

- appointing the Executive Management;
- laying down guidelines for and exercising control of the work performed by Executive Management;
- ensuring responsible organisation of the company's business;
- defining the company's business concept and strategy;
- ensuring satisfactory financial organisation and reporting;
- ensuring the necessary procedures for risk management and internal controls; and
- ensuring that an adequate capital contingency programme is in place at all times.

In cooperation with Executive Management, the Board establishes and approves overall policies, procedures, and controls in key areas, not least in relation to financial reporting. This requires a well-defined organisational structure, unambiguous reporting lines, authorisation and certification procedures, and adequate segregation of duties.

Chairmanship

According to article 8(2) of the Articles of Association, the Board shall elect a chairman and, potentially, a deputy chairman among themselves. A member of Executive Management cannot be elected chairman or deputy chairman.

The Board convenes immediately after the annual general meeting. In connection with this meeting, the Board elects a chairman and a deputy chairman from among its members by a simple majority of votes.

For further information about the responsibility of the chairmanship, see the Rules of Procedure of the Board of Directors.

Board of Directors - update 2020

At the Annual General Meeting in April 2020, Jens Hesselberg Lund did not stand for re-election for the Board and the shareholders elected two new members - Anders Runevad and Karl-Henrik Sundström.

In 2019/2020, the employees re-elected all four employee representatives for a four-year period. On 30 April 2020, employee representative Peter Lindholm stepped down as member of the Board and alternate Pia Kirk joined the Board as new member as at 1 May 2020.

In 2020, the Board conducted 12 meetings. For an overview, of individual attendance see the Annual Report 2020. As at 31 December 2020, the Board elected by the general meeting consists of six male and two female members. Additional information is available in the Vestas Sustainability Report 2020⁶.

With the Vestas' acquisition of the offshore business in 2020, however, part of the transaction was nominating Mitsubishi Heavy Industries to a seat at Vestas' Board, and for this reason,

equal gender distribution is unlikely to be achieved in 2021. Instead, the company has pushed the ambitious target to 2022.

Board committees

The purpose of Vestas' board committees is to prepare decisions and recommendations for consideration and approval by the entire Board. The committees are not authorised to make independent decisions; instead they report and make recommendations to the Board.

Vestas has established three permanent board committees.

Audit Committee

The Audit Committee supports the Board in assessments and controls relating to auditing, accounting policies, systems of internal controls, financial reporting, procedures for handling complaints regarding accounting and auditing, the need for an internal audit function and Vestas' ethics and anticorruption programmes.

Audit committee - update 2020

In April 2020, the Board elected the following members to the Audit Committee: Karl-Henrik Sundström, Bert Nordberg, Carsten Bjerg, and Eva Merete Søfelde Berneke.

Karl-Henrik Sundström was appointed chairman of the committee. Mr. Sundström fulfils the demand for qualifications within financial accounting as set out in the Danish Auditors' Act.

In 2020, the committee conducted four meetings. For an overview of individual attendance, see the Annual Report 2020.

During 2020, the main activities of the Audit Committee comprised the following:

- *Managed the procedure of selecting and recommending the statutory external auditor to be nominated for election by the Annual General Meeting. This included, but was not limited to, establishing policies and procedures for the engagement of an external auditor to provide audit services and permitted non-audit services.*
- *Oversaw the statutory audit of the financial statements, including the performance and independence of the external auditor, which includes, but is not limited to, approval of the audit plan, recommendations to the Board regarding the approval of the auditor agreement and the compensation fee of the external auditor, review of the external auditor's reports to Executive Management and the Board, including management letters and long form auditor's reports.*
- *Recommended to the Board the approval of all audit services and permitted non-audit services to be provided by the external auditor.*
- *Generally oversaw the quarterly financial reporting of the Group including that appropriate accounting policies and accounting estimates have been applied.*
- *Assessed and monitored the financial communication of Vestas towards financial markets.*
- *Reviewed and assessed the systems of internal controls including risk management systems.*
- *Reviewed the procedure for handling complaints regarding accounting, internal accounting controls, auditing and financial matters.*
- *Assessed the need for an internal audit function.*
- *Reviewed and monitored Vestas' ethics and anti-corruption programme, including ensuring implementation of necessary actions to cover risks.*

⁶ The report can be found at the company's website under "Investor".

- *Other relevant activities linked to the overall responsibilities of the committee, as described in the committee charter, including an evaluation of the committee charter and activities as well as the composition, independence, and competencies of the committee members.*

Nomination & Compensation Committee

The Nomination & Compensation Committee supports the Board in relation to overall staff-related topics, including assessment of remuneration, and in the evaluation of the performance and achievements of the Board and Executive Management.

Nomination & Compensation Committee – update 2020

In April 2020, the Board elected the following members to the Nomination & Compensation Committee: Bert Nordberg, Anders Runevad, Eva Merete Søfelde Berneke, and Helle Thorning-Schmidt. Bert Nordberg was re-appointed as chairman of the committee.

In 2020, the committee conducted six meetings. For an overview of individual attendance, see the Annual Report 2020.

During 2020, the main activities of the Nomination & Compensation Committee have, amongst others, comprised the following:

- *Assessed the structure, size, composition and results of the Board and Executive Management and carried out an evaluation of same.*
- *Assessed the competences, knowledge and experience of the individual members of the Executive Management.*
- *Reviewed and assessed the compensation of the Board and Executive Management as in compliance with the corporate remuneration policy*
- *Evaluated proposals for incentive earnings and remuneration schemes for Vestas, including monitoring how the company complies with the current rules governing public insight into pay and remuneration issues, specifically in the remuneration report.*
- *Other relevant activities linked to the overall responsibilities of the committee as described in the committee charter.*

Technology & Manufacturing Committee

The Technology & Manufacturing Committee assists the Board in assessing technological matters, IPR strategy, and product development plans. The committee also supports the Board in matters concerning production, monitors and evaluates the short- and long-term manufacturing footprint, monitors the service business and the underlying product roadmap, evaluates sustainability performance, and, through the interaction with key stakeholders, supports various forums within technology and manufacturing.

Technology & Manufacturing Committee - update 2020

In April 2020, the Board elected the following members to the Committee: Lars Josefsson, Anders Runevad, Bruce Grant, and Carsten Bjerg. Lars Josefsson was re-appointed chairman of the committee.

In 2020, the committee conducted four meetings. For an overview of individual attendance, see the Annual Report 2020.

During 2020, the main activities of the Technology & Manufacturing Committee comprised, amongst others, the following:

- *Monitored and evaluated Vestas' product market strategy for products and services as well as IP strategy and patent portfolio.*
- *Reviewed the status of Vestas' general product development, inventions and research projects including technology M&A.*
- *Reviewed and evaluated Vestas' manufacturing footprint and held discussions on its production processes.*
- *Reviewed and evaluated supply chain quality.*
- *Reviewed and discussed Vestas' CAPEX plans and monitored its warranty and Continuous Improvement Management (CIM) execution.*
- *Monitored and discussed the product roadmap for the service business.*
- *Monitored and evaluated Vestas' sustainability efforts.*
- *Other relevant activities linked to the overall responsibilities of the committee as described in the committee charter, including an assessment of the committee activities and composition and competencies of the committee members.*

Executive Management

The Executive Management of Vestas Wind Systems A/S is appointed by the Board. The Board furthermore appoints among the members of Executive Management a Chief Executive Officer who is the manager of the day-to-day work of the Executive Management. Moreover, the Board lays down the distribution of competences among the members of the Executive Management and determines their remuneration.

The work of the Executive Management

Executive Management is responsible for overall day-to-day management of the company, observing the guidelines and recommendations issued by the Board, and ensuring timely reporting and provision of information to the Board and the company's shareholders and stakeholders. Furthermore, Executive Management is responsible for presenting proposals for the company's overall objectives, strategies, and action plans. It also makes proposals for the overall operating, investment, financing, and liquidity budgets to the Board, and monitors compliance with relevant legislation and other financial reporting regulations and provisions.

Executive Management strives to be visible globally to all Vestas' stakeholders – customers, shareholders, partners and suppliers, leaders, and colleagues – demonstrating the company's values and conveying its vision and strategy. Executive Management gathers at least once a month and often more frequently.

The Nomination & Compensation Committee reviews the performance of the executives, and the chairman presents the result at a board meeting.

Executive Management - update 2020

As of 10 January 2020, Kerstin Knapp entered her position as Executive Vice President of People & Culture.

On 12 May 2020, Anders Nielsen was appointed Executive Vice President of Power solutions (Chief Technology Officer), taking over from Anders Vedel, who has continued in a role as Chief Scientific Advisor. At the same time, Tommy Rahbek Nielsen, who has served as interim Executive Vice President of Manufacturing and Global Procurement (Chief Operating Officer) since 1 January 2020, was announced as the permanent Executive Vice President of Manufacturing & Global Procurement.

As of 31 December 2020, Executive Management consisted of seven members of which only the CEO and CFO are registered as executives with the Danish Business Authority.

Governance principles

To the Board, corporate governance is not just a set of rules but a constant process. Consequently, the Board continuously addresses the guidelines and processes for the overall management of Vestas. This ensures that management is at any time able to conduct its managerial tasks professionally and in due consideration of applicable law, practices, and recommendations.

In 2020, Vestas undertook an evaluation of its governance guidelines and processes. The evaluation included a review of the company's business model, strategy, goals, organisation, capital position, stakeholder relations, internal controls, and risks.

The Board finds that clear guidelines on how to manage and communicate at Vestas help provide a true and fair view of Vestas to the world.

Vestas' vision and objectives

Once a year, the Board arranges a strategy seminar with participation of the members of the Executive Management to discuss the strategies and future visions for Vestas.

Vision To be the Global Leader in Sustainable Energy Solutions

Objectives Global Leader in Wind Power Plant solutions
Global Leader in Wind Power Service solutions

Annually, management provides updates on the strategy and what to expect in the coming years in the annual report –, see the Annual Report 2020⁷.

Code of Conduct

Vestas' Employee Code of Conduct is a set of rules and principles for how Vestas employees should act as part of a global company. It goes beyond national borders, cultures and local traditions, and sets a standard for all employees wherever they operate. The Vestas Business Partner Code of Conduct outlines the minimum requirements that Vestas' Business Partners need to respect and comply with when conducting business with Vestas.

These two documents⁷ set the framework for the work of supporting the principles of the UN Global Compact.

UN Global Compact

Vestas is a signatory to the UN Compact and the World Economic Forum's Partnering Against Corruption Initiative. These commitments support Vestas' intent to power sustainability, both within the organisation and beyond.

With the participation in UN Global Compact, Vestas commits to report and publish its progress on implementing these principles in the organisation on an annual basis. The implementation of these requirements in the organisation is an integral part of the Vestas Management System and the annual update for 2020 is available in the Vestas Sustainability Report 2020⁷.

UN Sustainable Development Goals

Vestas is committed to supporting the UN Sustainable Development Goals (SDGs). The SDGs are integrated into its sustainability approach, which allows Vestas to identify the goals where it can add most value. Vestas has identified six SDGs which support development for Vestas, its stakeholders and the many communities where Vestas play a role. The six SDGs are: Affordable and clean energy (7); Climate action (13); Decent work and economic growth (8); Quality education (4); Responsible consumption & production (12); and Partnerships for the goals (17).

Additional information is available in the Vestas Sustainability Report 2020.

Risk management

Being a multinational company and global leader in wind power energy, Vestas is exposed to a variety of risks in its daily business. Vestas' risk management process is governed by Executive Management and the setup ensures that all key business risks are effectively identified, assessed, and mitigated.

For additional information about Vestas' Enterprise Risk Management System and governance, see the Annual Report 2020.

Financial reporting risks

Based on Vestas' financial risk management policy, the Group Finance function prepares a description of the key risks relating to financial reporting and measures taken to control such risks.

Group Finance works actively with anchoring financial risk management throughout the organisation, including ensuring systematic identification and management of all relevant risks relating to financial reporting.

As part of the financial risk assessment, the Board and Executive Management annually assess the risk of fraud and the measures to be taken to reduce and/or eliminate such risks, including assessing the risk of management override of controls.

Control activities

Group Finance is responsible for the implementation, monitoring, and reporting of Vestas' global financial processes and the internal control framework. This helps to ensure a uniform design and structure of Vestas' internal controls. The objective of Vestas' control activities is to ensure financial compliance with the targets, policies, manuals, procedures, etc. defined by Executive Management.

Furthermore, the activities must help ensure that any errors, deviations and shortcomings are prevented, discovered, and rectified.

Vestas continuously adjusts and implements global financial processes and controls for all units and functions aimed at further mitigating the risk of misstatement of financial reporting.

⁷ The document can be found at the company's website under "Investor".

Information and communication

Vestas' policies, adopted by the Board, lay down, among other things, overall requirements on financial reporting and external financial reporting in accordance with current legislation and applicable regulations.

The information systems are designed to identify, collect and communicate relevant information, reports, etc. on an ongoing basis and on all levels to facilitate an effective, reliable workflow and the performance of controls. This is done in due consideration of the confidentiality required as a listed company.

Financial risks, including risks related to currency, interest rate, tax, credit, and commodity exposures are addressed in the Annual Report 2020.

Financial management

Within financial management it is Vestas' objective to create the necessary stability to implement strategic development work while in the long term achieving a competitive return for the company's shareholders. At the same time, Vestas has the objective of reducing cost of capital.

Vestas' main possible methods of maintaining or changing its capital structure are:

- adjustment of the dividends level;
- share buy-backs;
- issuing of new shares;
- new borrowing;
- change of the level of funding from prepayments received; and
- credit granted by supplier.

Tax policy

The purpose of the Vestas Group Tax Policy⁸ is to define global management of taxes including governance, structuring, and risk management. The policy applies to all decisions that directly or indirectly affect reporting and/or payment of taxes notwithstanding the nature of the tax as long as it falls or could fall under the liability of any Vestas company.

For additional information about Vestas' tax policy, see the Vestas Sustainability Report 2020. An overview of the Vestas Group's tax payments is available at the company's website under "Investor" and the section Corporate governance.

Transactions with related parties

A related party transaction is defined as any transaction, direct or indirect, between Vestas or any of its subsidiaries and/or affiliates and a related party. According to Vestas' Policy for Transactions with Related Parties, a related party transaction having a value of more than the lowest of 10 percent of Vestas' total assets and 25 percent of Vestas' operating profit/loss shall be published on Vestas website.

For 2020, the threshold corresponds to a value of EUR 250m.

During the year, there were no significant transactions between Vestas and members of the Board or of Executive Management, their close family members, or companies in which these persons have significant influence.

In 2020, Vestas had no significant transactions with its associates and joint ventures.

⁸ The policy can be found at the company's website under "Investor Relations".

1. Communication and interaction by the company with its investors and other stakeholders

Recommendation

Vestas' comments

1.1. Dialogue between company, shareholders, and other stakeholders

1.1.1. The Committee recommends that the board of directors ensure ongoing dialogue between the company and its shareholders, so that the shareholders gain relevant insight into the company and in order for the board of directors to be aware of the shareholders' views, interests and opinions in relation to the company.

Vestas provides information and opportunities for dialogue to its shareholders through regular publication of news, interim reports, annual reports, and through general meetings – and furthermore a separate "Investor" section at the corporate website.

In 2020, the day-to-day communication with shareholders has mainly been handled via conference calls and email correspondence.

In connection with the disclosure of the financial results, Vestas arranged information meetings, which were audiocast live. Following the earnings calls, members of Executive Management, together with representatives from Investor Relations, participated in roadshows in which meetings were held with investors and stakeholders in Europe, Asia, and North America. In 2020, due to COVID-19, the roadshows outside of Denmark were conducted as online meetings.

After each roadshow, Investor Relations summarises the feedback received from investors as part of a quarterly report to the Board.

1.1.2. The Committee recommends that the board of directors adopt policies on the company's relationship with its stakeholders, including shareholders and that the board of directors ensure that the interests of the shareholders are respected in accordance with company policies.

Vestas' relations to its stakeholders – present and potential shareholders, business partners, employees, and the surrounding society – are anchored in the company's operating business model, vision, and objectives.

Vestas seeks to develop and maintain good relations with its stakeholders, as such relations are believed to have a significant and positive impact on the company's development. The company's policy regarding its relationship with its stakeholders can be found in the Code of Conduct. Furthermore, the company's relationship with its shareholders is addressed specifically in the Investor Relations' communications policy.⁹

1.1.3. The Committee recommends that the company publish quarterly reports.

Vestas discloses financial reports four times a year – one annual report and three interim financial reports. Financial reports disclosed in 2020 and the publication dates for future financial reports are available at the company's website under "Investor".

⁹ The documents can be found at the company's website under "Investor".

1.2. General meeting

1.2.1. The Committee recommends that in organising the company's general meeting, the board of directors plans the meeting to support active ownership.

The Board strives to plan the general meetings in a manner that encourages active ownership of shareholders. ●

The date for the Annual General Meeting 2020 was disclosed on 7 November 2019 and the convening was published on 5 March 2020.

Relevant information about the meeting in 2020 was provided at the corporate website. Vestas invited the company's shareholders to express their views or to pose questions before the meeting. Questions posed before the meeting were published at the corporate website together with the respective answers.

To promote active ownership, the Board encourages all shareholders to express their views by voting at the annual general meeting.

Due to the COVID-19 pandemic, the Annual General Meeting was broadcast live, and all shareholders who had requested an admission card were kindly asked not to attend physically but follow the meeting online.

1.2.2. The Committee recommends that proxies or votes by post for the general meeting allow shareholders to consider each individual item on the agenda.

Vestas' proxy / vote by correspondence form and the online voting system allow shareholders to consider each individual item on the agenda. ●

1.3. Takeover bids

1.3.1. The Committee recommends that the company set up contingency procedures in the event of takeover bids, from the time that the board of directors has reason to believe that a takeover bid will be made. The contingency procedure should establish that the board of directors should not without the acceptance of the general meeting, attempt to counter the takeover bid by making decisions which, in reality, prevent the shareholders from deciding on the takeover bid themselves.

According to Vestas' Takeover Response Manual, the Board is not at any time entitled to take any steps that prevent a takeover bid from being presented to and decided by the shareholders. ●

In the event of a takeover bid, the Board will consider specifically what will be in the best interest of the company and all shareholders before they decide whether or not to present an offer to the shareholders.

2. Tasks and responsibilities of the board of directors

Recommendation	Vestas' comments
2.1. Overall tasks and responsibilities	
2.1.1. The Committee recommends that at least once annually, the board of directors consider the matters that should be included in the board's performance of its work.	The Board reviews its annual wheel and its rules of procedure at least once a year. ●
2.1.2. The Committee recommends that at least once annually, the board of directors consider the overall strategy of the company with a view to ensuring value creation in the company.	The Board discusses Vestas' strategy continuously and in particular in a dedicated annual strategy seminar. At the strategy seminar, the Board and Executive Management discuss the strategy and future visions for Vestas. The latest strategy seminar took place in October 2020. ●
2.1.3. The Committee recommends that the board of directors ensure that the company has a capital and share structure which supports that the strategy and long-term value creation of the company are in the best interest of the shareholders and the company, and that the board of directors explain this in the management commentary and/or on the company's website.	<p>The Board continuously evaluates to what extent the company's capital structure, share structure, and capital resources are reasonable in consideration of the Group's operations and the stakeholders' interests. ●</p> <p>In April 2020, the shareholders:</p> <ul style="list-style-type: none">• Approved a dividend of DKK 7.93 per share to be paid out for the financial year 2019. This was equivalent to a dividend percentage of 30.0 percent measured against the net profit for the year.• Adopted the proposal to reduce Vestas' share capital by DKK 1,977,848 nominally by cancelling 1,977,848 shares from Vestas' holding of treasury shares. <p>On 6 May 2020, the reduction of the share capital was completed.</p> <p>On 14 December 2020, Vestas completed a capital increase by a nominal value of DKK 5.0m. The capital increase was effectuated as part of the transaction, whereby Vestas acquired full ownership of the offshore business in the joint venture company MHI Vestas Offshore Wind A/S, against Mitsubishi Heavy Industries, Ltd.'s subscription of 5,049,337 new shares in Vestas. The share issue was made pursuant to the authorisation in article 3(1)(b) of Vestas' Articles of Association.</p> <p>At the end of the year, Vestas' registered share capital amounted to nominally DKK 201,973,452, corresponding to 201,973,452 shares of DKK 1 each.</p>
2.1.4. The Committee recommends that the board of directors annually review and approve guidelines for the executive board; this includes establishing requirements for the executive board's reporting to the board of directors.	<p>At least once a year, the Board reviews the rules of procedure for Executive Management to ensure that it is updated and compliant with applicable laws, regulations, and best practice. ●</p> <p>The Rules of procedure for Executive Management were last updated in connection with the board meeting in April 2020.</p>
2.1.5. The Committee recommends that at least once annually, the board of directors discuss the composition, developments, risks, and succession plans of the executive board.	In April 2020, the Nomination and Compensation Committee evaluated the composition, development, risks, and succession plans of Executive Management. ●

2.2. Corporate social responsibility

2.2.1. The Committee recommends that the board of directors adopt policies on corporate social responsibility.

Vestas is a signatory to the United Nations Global Compact and the World Economic Forum's Partnering Against Corruption Initiative. Vestas' commitments are reflected in the Code of Conduct, Vestas' Sustainability Strategy, and supporting policies, all of which are available at the corporate website.

On an annual basis, Vestas reports on its sustainability approach, KPIs and initiatives in the Vestas Sustainability Report, ref. section 99a of the Danish Financial Statements Act.

2.3. Chairman and vice-chairman of the board of directors

2.3.1. The Committee recommends appointing a vice chairman of the board of directors, who will assume the responsibilities of the chairman in the event of the chairman's absence, and who will also act as effective sparring partner for the chairman.

In accordance with article 8(2) of the c Articles of Association, the Board may decide to elect a deputy chairman.

The Board has elected a deputy chairman who is an effective sparring partner for the chairman and will assume the responsibilities of the chairman in the event of the chairman's absence.

The Rules of procedure for the Board include a general description of the tasks, duties, and responsibilities of the chairman and the deputy chairman.

In April 2020, the deputy chairman was re-elected.

2.3.2. The Committee recommends that, if the board of directors, in exceptional cases, asks the chairman of the board of directors or other board members to perform special activities for the company, including briefly participating in the day-to-day management, a board resolution to that effect should be passed to ensure that the board of directors maintains its independent, general management and control function. Resolutions on the chairman's or other board members' participation in day-to-day management and the expected duration hereof should be publicly announced.

Members of the Board must not perform duties for the company that are not an inherent part of their tasks with the exception of isolated tasks that they are requested to perform by and on behalf of the Board.

Neither the Chairman nor members of the Board performed any such isolated tasks in 2020.

If decided by the Board that the Chairman or a member of the Board must participate in the day-to-day management, this decision will be disclosed in a company announcement.

3. Composition and organisation of the board of directors

Recommendation

Vestas' comments

3.1. Composition

3.1.1. The Committee recommends that the board of directors annually evaluate and in the management commentary, account for:

- the competencies that it must have to best perform its tasks,
- the composition of the board of directors, and
- the special competencies of each member.

3.1.2. The Committee recommends that the board of directors annually discuss the company's activities to ensure relevant diversity at management levels and prepare and adopt a policy on diversity. The policy should be published on the company's website.

3.1.3. The Committee recommends that the selection and nomination of candidates for the board of directors be carried out through a careful and transparent process approved by the overall board of directors. When assessing its composition and nominating new candidates, the board of directors should in addition to the need for competencies and qualifications take into consideration the need for integration of new talent and diversity.

3.1.4. The Committee recommends that the notice convening a general meeting where the agenda includes the election of members to the board of directors, of the nominated candidates, including information about the candidates'

- other executive functions, including positions on executive boards, boards of directors, and supervisory boards, including board committees in Danish and foreign enterprises, and
- demanding organisational tasks.

Furthermore, it should be indicated if the candidates to be board of directors are considered independent.

3.1.5. The Committee recommends that members of the company's executive board be not members of the board of directors and that a resigning chief executive officer be not directly elected as chairman or vice chairman for the same company.

3.1.6. The Committee recommends that members of the board of directors elected by the general meeting be up for election every year at the annual general meeting.

Once a year, the Board evaluates the competencies and composition of the Board, and each member of the Board.

Further information is available in the Annual Report 2020, see the section "Corporate governance", page 52.

In November 2020, the Board discussed diversity and reviewed the Diversity and Inclusion Policy¹⁰. The policy supports Vestas' efforts to create an environment that actively embraces diversity, inclusion, and one that ensures equal access to opportunities. The policy is available at the company's website under "Investor".

The Nomination & Compensation Committee leads the process for selecting and nominating candidates for the Board. The committee makes use of external consultants to identify and assess the profiles and qualifications specifically needed in order to supplement the expertise reflected in the overall composition of the Board.

The combined Board decides on the final nomination to the annual general meeting of candidates for the Board.

The notice convening Vestas' Annual General Meeting 2020 and the information at the company's website contained a detailed description of each individual candidate, including information about position, education, former employment, other offices held in Danish and foreign companies and organisations, positions of trust, independence, and special competencies.

As at 31 December 2020, no member of the company's Board is a member of Executive Management.

At the Annual General Meeting in 2020, the shareholders elected Anders Runevad as member of the Board. Runevad was the company's Group President & CEO from 2013-2019.

According to the company's Articles of Association, Article 8(1), board members elected by the general meeting are up for election every year at the company's annual general meeting.

¹⁰ The document can be found at the company's Investor Relations website.

3.2. Independence of the board of directors

3.2.1. The Committee recommends that at least half of the members of the board of directors elected by the general meeting be independent persons, in order for the board of directors to be able to act independently of special interests.

To be considered independent, this person may not:

- be or within the past five years have been a member of the executive board or senior staff member in the company, a subsidiary or an associated company,
- within the last five years, have received large emoluments from the company/group, a subsidiary or an associated company in a different capacity than as member of the board of directors,
- represent or be associated with a controlling shareholder,
- within the past year, have had significant business relations (e.g. personally or indirectly as partner or employee, shareholder, customer, supplier or member of management in companies with connection) with the company, a subsidiary or an associated company.
- be or within the past three years have been employed or been a partner in the company as the auditor elected by the general meeting,
- be the chief executive in a company with cross-memberships with the company,
- have been member of the board of directors for more than 12 years; or
- be a close relative of persons who are not considered independent.

Even if a member of the board of directors is not covered by the above criteria, certain conditions may exist that will lead the board of directors to decide that one or more members cannot be regarded as independent.

In 2020, following the election of board members at the Annual General Meeting, seven of the eight board members elected were considered to be independent.

The newly elected member Anders Runevad is not to be considered independent according to the definition in recommendation 3.2.1, as he has been a member of the company's Executive Management within the last five years.

3.3. Members of the board of directors and the number of other management functions

3.3.1. The Committee recommends that each member of the board of directors assess the expected time commitment for each function so that the member does not take on more functions than he/she can complete at a satisfactorily level for the company.

Vestas believes that each board member is capable of and responsible for assessing, in a satisfactory manner, his or her time commitment for the board work and each function in order that the number of functions held will not adversely impact the quality of the work performed in the Board.

The issue was discussed in connection with the annual evaluation of the Board's work.

3.3.2. The Committee recommends that the management commentary, in addition to the provisions laid down by legislation, includes the following information about the members of the board of directors:

- the position of the relevant person,
- the age and gender of the person in question,

The details of each board member as outlined in this recommendation are available in the Annual Report 2020, see the section "Corporate governance".

- the person's competencies and qualifications that are relevant to the company,
- whether the member is considered independent,
- the member's date of appointment to the board of directors,
- expiry of the current election term,
- the member's participation in the meetings of the board of directors and committee meetings,
- other management functions, including memberships in executive boards, boards of directors, and supervisory boards, including board committees in Danish and foreign enterprises and demanding organisational tasks, and
- the number of shares, options, warrants and similar owned by the member in the company, and other group companies, as well as changes in the member's portfolio of the mentioned securities which have occurred during the financial year.

3.3.3. The committee recommends that the annual evaluation procedure, cf. section 3.5, include an evaluation of what is regarded as a reasonable level for the number of other management functions, where the number, level and complexity of the other individual management functions are taken into account.

Annually, in connection with the evaluation of the performance of the Board, the Board and/or the Nomination & Compensation Committee carries out a specific evaluation of what would be regarded as a reasonable level in the number of other management functions for the individual members.



3.4. Board committees

3.4.1. The committee recommends that the company publish the following on the company's website:

- the terms of reference of the board committees,
- the most important activities of the committees during the year, and the number of meetings held by each committee, and
- the names of the members of each committee, including the chairmen of the committees, as well as information on which members are independent members and which members have special competencies.

The following information about the company's board committees is available at the corporate website:

- charter;
- composition;
- function;
- responsibilities;
- work methods; and
- number of meetings.

The purpose of Vestas' board committees is to prepare decisions, proposals for decisions, and recommendations for consideration and approval by the entire Board. The committees are not authorised to make independent decisions, but report to and make recommendations to the entire Board.



3.4.2. The Committee recommends that a majority of the members of a board committee be independent.

According to the definition of independence of the Committee on Corporate Governance, Vestas' board committees comply with the recommendation.



3.4.3. The Committee recommends that the members of the board of directors set up an audit committee and that a chairman is appointed who is not the chairman of the board of directors.

According to applicable Danish law and the Rules of procedure for the Board¹¹, Vestas has established an audit committee. A description of the committee's composition, responsibilities and work methods is available at the corporate website.



The committee members meet the requirements set out in this recommendation.

For additional information about the Audit Committee, see page 5.

¹¹ The document can be found at the company's website under "Investor"

3.4.4. The Committee recommends that, prior to the approval of the annual report and other financial reports, the audit committee monitor and report to the board of directors about:

- significant accounting policies,
- significant accounting estimates,
- related party transactions, and
- uncertainties and risks, including in relation to the outlook for the current year.

In connection with the preparation of the company's four financial reports in 2020, the Audit Committee reviewed the financial reports on the basis of the criteria set out in this recommendation and reported to the Board. The duty of and responsibility for evaluating uncertainties and risks in relation to outlook for the current year, is, however, assigned to the combined Board.

3.4.5. The Committee recommends that the audit committee:

- annually assess the need for an internal audit, and in such case, presents mandates and recommendations on selecting, appointing and removing the head of any internal audit function and on the budget of the internal audit function,
- ensure that if an internal audit has been established, a description of its functions is available and approved by the board of directors,
- ensure that if an internal audit has been established, adequate resources and competencies are allocated to carry out the work, and
- monitor the executive board's follow-up on the conclusions and recommendations of the internal audit function.

Once a year, the Audit Committee assesses the need for an internal audit function. In the financial year 2020, the Committee found that it was not necessary to establish an internal audit function. For additional information, see Financial reporting risks, page 7.

3.4.6. The Committee recommends that the board of directors establish a nomination committee, which is at least, responsible for the following preparatory tasks:

- describing the qualifications required by the board of directors and the executive board, and for a given position, indicating the time expected to be spent carrying out a specific position, as well as assessing the competencies, knowledge and experience found in the two governing bodies,
- annually assessing the structure, size, composition, and results of the board of directors and the executive board and recommend any changes to the board of directors,
- annually assessing the competencies, knowledge, experience, and succession of the individual members of management, and report to the board of directors in this respect,
- recommending candidates for the board of directors and the executive board, and
- proposing an action plan to the board of directors on the future composition of the board of directors, including proposals for specific changes.

The tasks mentioned in Recommendations 3.4.6. and 3.4.7. are handled in a board committee, Vestas' Nomination & Compensation Committee. The Board has assessed that the committee members have the necessary competences to perform both tasks related to nomination and those related to compensation, and that this structure is optimal for Vestas.

For a description of the committee's composition, tasks and work methods, see page 6.

Recommendation

Vestas' comments

3.4.7. The Committee recommends that the board of directors establish a remuneration committee which is at least, responsible for the following preparatory tasks:

- recommending the remuneration policy (including the "General Guidelines for incentive-based Remuneration") to the board of directors and the executive board for approval by the board of directors prior to approval by the general meeting,
- making proposals to the board of directors on remuneration for members of the board of directors and the executive board, as well as ensuring that the remuneration is in compliance with the company's remuneration policy and the assessment of the performance of the persons concerned. The committee should have information on total remuneration that members of the board of directors and the executive board receive from other companies in the group,
- recommending a remuneration policy applicable for the company in general, and
- assisting with the preparation of the annual remuneration report.

3.4.8. The committee recommends that the remuneration committee do not consult with the same external advisers as the executive board of the company.

The tasks mentioned in Recommendations 3.4.6. and 3.4.7. are handled in a board committee named Vestas' Nomination & Compensation Committee.

The Board has assessed that the committee's members have the necessary competences to perform both tasks related to nomination and those related to compensation, and that this structure is optimal for Vestas.

A description of the committee's composition, tasks and work methods, see page 6.

According to the committee's charter, the committee may choose the external advisers they believe have the best skills to assist the committee.

In 2020, the Nomination & Compensation Committee has not used the same advisers as Executive Management.

3.5. Evaluation of the performance of the board of directors and the executive board

3.5.1. The Committee recommends that the board of directors establish an evaluation procedure for an annual evaluation of the board of directors and the individual members. External assistance should be obtained at least every third year. The evaluation should inter alia include:

- contribution and results,
- cooperation with the executive board,
- the chairman's leadership of the board of directors,
- the composition of the board of directors (including competencies, diversity and the number of members),
- the work in the committees and the committee structure, and
- the organisation and quality of the material that is submitted to the board of directors.

The evaluation procedure and the general conclusions should be described in the management commentary and on the company's website. The chairman should account for the evaluation of the board of directors, including the process and general conclusions, on the general meeting prior to the election of the board of directors.

The Nomination & Compensation Committee has the responsibility of conducting an annual evaluation of:

- the contributions and results of the individual members of the Board – and the combined Board;
- the contributions and results of the individual members of the Executive Management – and the combined Executive Management; and
- the co-operation between the Board and the Executive Management.

Once a year, the Board evaluates its working methods, the results of its work, and the skills of its members, including whether each board member participates actively in board discussions and contributes with independent judgement.

The Chairman presents the result of the evaluation at a board meeting – and the result of the evaluation is discussed.

In November 2018, the Board engaged with an external partner to undertake an external assessment of the Board. Going forward, Vestas will include external assistance to perform an evaluation of the Board at least every third year.

3.5.2. The Committee recommends that at least once annually, the board of directors evaluate the work and performance of the executive board in accordance with predefined clear criteria. Furthermore, the board of directors should evaluate the need for changes to the structure and composition of the executive board, in light of the company's strategy.

3.5.3. The Committee recommends that the executive board and the board of directors establish a procedure according to which their cooperation is evaluated annually through a formalised dialogue between the chairman of the board of directors and the chief executive officer, and that the outcome of the evaluation be presented to the board of directors.

In October and November 2020, the three board committees evaluated their performance for 2020. The evaluations were conducted as an open dialogue among committee members and facilitated internally by the chairmen. An online evaluation form was made available to guide the members in their preparation, and to make sure that all relevant issues were touched upon in connection with the evaluations. The assessment included an evaluation of the working climate and cooperation, competence, board work, and the role of the chairman. The self-assessment revealed a good collaboration in each of the committees, and between the committees and Executive Management.

The Board also conducted a self-assessment in November 2020, following the same procedure. The self-assessment revealed a good collaboration in the Board and between the Board and Executive Management as well as satisfaction with the conduction of the meetings, meeting materials, and the engagement from the Board members.

The results of the assessments are used by the Nomination & Compensation Committee when they propose nomination of members to the Board and the board committees.

Once a year, the Board evaluates the work and performance of Executive Management. This evaluation takes place in a dialogue between the Nomination & Compensation Committee and the Group President & CEO, and the results of the evaluation are subsequently presented to the entire Board.

The evaluation is based on the following criteria, among others:

- Vestas' general performance;
- Vestas' reputation and position;
- implementation of Vestas' strategy;
- Vestas' financial targets;
- the customer satisfaction survey; and
- the employee satisfaction survey.

Once a year, the Nomination & Compensation Committee and the Group President & CEO evaluate the cooperation between the Board and Executive Management.

The evaluation of the cooperation includes:

- the ongoing dialogue / information;
- board material;
- cooperation with the board committees;
- follow-up on management decisions and their implementation;
- evaluation of the processes and methods used, etc.

The evaluation of the cooperation was part of the evaluation performed in November 2020. The result of this evaluation was presented to the Board at the board meeting in November 2020.

4. Remuneration of management

Recommendation

Vestas' comments

4.1. Form and content of the remuneration policy

4.1.1. The Committee recommends that the board of directors prepare remuneration policy for the board of directors and the executive board, which includes:

- a detailed description of the components of the remuneration for members of the board of directors and the executive board,
- the reasons for choosing the individual components of the remuneration,
- a description of the criteria that form the basis for balance between the individual components of the remuneration, and
- an explanation for the correlation between the remuneration policy and the company's long-term value creation and relevant related goals.

The remuneration policy should be approved by the general meeting at least every fourth year and upon any material amendments and published on the company's website.

4.1.2. The Committee recommends that, if the remuneration policy includes variable components,

- limits be set on the variable components of the total remuneration package,
- a reasonable and balanced composition be ensured between remuneration for members of management and the value creation for shareholders in the long term,
- clarity be established about performance criteria and measurability for the award of variable components,
- it is ensured that variable remuneration not only consists of short term remuneration components, and that long-term remuneration components must have a vesting or maturity period of at least three years, and
- it be ensured that the company has the ability to reclaim in full or in part variable components of remuneration that were paid on the basis of information, which subsequently are found to be incorrect.

In 2019, the Remuneration Policy¹² was reviewed in preparation for the Annual General Meeting in 2020, and the policy was updated to ensure compliance with the revised section 139 and the new section 139a of the Danish Companies Act.

The policy was approved by the Annual General Meeting in 2020.

The Remuneration Policy includes a cap on short-term incentive pay-out and long-term incentive allotments. The variable remuneration of the Executive Management is an incentive to create added value aligned with the interests of the company's shareholders and enables flexible remuneration costs.

The performance criteria for the short and long-term incentive programmes are described high level in the Remuneration Policy and in greater detail in the annual remuneration report¹².

The long-term incentive programme for executive management has a performance period of three years and the shares vest with half after three years and half after five years.

In the situation where bonus, performance shares (both vested and non-vested shares) or other variable remuneration have been provided to a member of Executive Management on the basis of data or accounts which prove to be misstated, Vestas may within certain limitations reclaim the variable remuneration in full or in part.

¹² The document can be found at the company's Investor Relations website.

Recommendation

Vestas' comments

4.1.3. The Committee recommends that remuneration of members of the board of directors do not include share options or warrants.

Members of the Board receive a fixed annual cash remuneration, which is approved every year by the general meeting. Members of the Board receive no incentive remuneration.

4.1.4. The Committee recommends that if, in relation to long-term incentive programmes, a share-based remuneration is used, the programmes should have a vesting or maturity period of at least three years after being allocated and should be roll-over programmes, i.e. the options should be granted periodically.

Restricted shares may be granted to members of Executive Management.

Shares allocated vest at the rate of 50 percent after three years and the remainder five years after the announcement. The share incentives are based on roll-over programmes with recurring grants and overlap of vesting periods.

For additional information, see the Remuneration Report 2020.

4.1.5. The Committee recommends that the total value of the remuneration relating to the notice period, including severance pay, do not exceed two years of remuneration, including all components of the remuneration.

As described in the Remuneration Policy, Vestas can terminate the employment of members of Executive Management by giving 24 months' notice to the end of a month. A member of Executive Management can terminate the employment with Vestas by giving 12 months' notice to the end of a month. There is no agreed redundancy pay/compensation for voluntary or non-voluntary termination.

4.2. Disclosure of the remuneration policy

4.2.1. The Committee recommends that the company's remuneration policy and compliance with this policy be explained and justified annually in the chairman's statement at the company's general meeting.

At the company's general meeting, the Chairman addresses the company's Remuneration Policy and compliance with the policy.

4.2.2. The Committee recommends that shareholders at the general meeting consider proposals for approval of remuneration for the board of directors for the current financial year.

The Annual General Meeting in 2020 approved the level of the Board's remuneration for 2020.

4.2.3. The Committee recommends that the company prepares a remuneration report that includes information on the total remuneration received by each member of the board of directors and the executive board from the company and other companies in the group and associated companies for the last three years, including information on the most important content of retention and resignation arrangements and that the correlation between the remuneration and company strategy and relevant related goals be explained.

The Remuneration report for the financial year explains the link between the remuneration and the remuneration policy – and the correlation between the remuneration and the strategy.

The base remuneration paid to members of the Board and members of the board committees is disclosed in the report. Remuneration paid to the members of Executive Management registered as such with the Danish Business Authority, being Vestas' CEO and CFO, is disclosed in the Remuneration Report 2020 in accordance with Danish applicable law.

The remuneration report should be published on the company's website.

The Remuneration Report for 2020 follows the section 139b of the Danish Companies Act and includes details on the total remuneration received by each of the registered directors for the last three years as well as the correlation between the remuneration and the company strategy.

5. Financial reporting, risk management and audits

Recommendation

Vestas' comments

5.1. Identification of risks and transparency about other relevant information

5.1.1. The Committee recommends that the board of directors consider and in the management commentary account for the most important strategic and business-related risks, risks in connection with the financial reporting as well as for the company's risk management.

The Board determines and oversees the framework for management of risks. The Audit Committee monitors the overall strategic risk exposure and the individual risk factors associated with the company's activities.

The conditions stated in this Recommendation are accounted for in the Annual Report 2020, see section "Risk management".

5.2. Whistleblower scheme

5.2.1. The Committee recommends that the board of directors establish a whistleblower scheme for expedient and confidential notification of serious wrongdoing or suspicions thereof.

EthicsLine is Vestas' whistle-blower mechanism that facilitates the reporting of violations of Vestas' Code of Conduct, applicable laws, and Vestas' policies and procedures.

The Audit Committee monitors the development and implementation of Vestas' ethics and anti-corruption programme pursuant to Vestas' Code of Conduct. Additional information is available in the Vestas Sustainability Report 2020.

5.3. Contact to auditor

5.3.1. The Committee recommends that the board of directors ensure regular dialogue and exchange of information between the auditor elected by the general meeting and the board of directors, including that the board of directors and the audit committee meet with the auditor elected by the general meeting at least once annually without the executive board present. This also applies to the internal auditor, if any.

The Board and Executive Management grant the auditor(s) elected by the general meeting access to make any investigations they find necessary, and ensure that the auditor(s) receive the information and the assistance needed for them to exercise their duties.

The Board maintains a regular dialogue with the auditor(s) elected by the general meeting, however, it is the responsibility of the Audit Committee to make arrangements for the necessary exchange of information.

Furthermore, the Board assesses if and when it is relevant to meet with the auditor(s) with or without Executive Management being present. In February 2020, the Board had a meeting with the auditor(s) without Executive Management being present.

In 2020, the dialogue between the Board and the auditors was ensured partly via the statutory Auditor's Long-form Report 2020, partly via the Audit Committee reporting to the Board after each Audit Committee meeting in 2020. Furthermore, the auditors attended the Board meeting in February 2021 at which the Annual Report 2020 was evaluated.

Furthermore, at the quarterly Audit Committee meetings in 2020 where the financial reports were pre-approved, the Audit Committee met with the auditor(s) without the Executive Management being present.

Recommendation

Vestas' comments

5.3.2. The committee recommends that the audit agreement and auditors' fee be agreed by the board of directors and the auditor elected by the general meeting based on a recommendation from the audit committee.

The contractual basis and thereby the scope of the auditor's work as well as the auditor's fee is agreed between the Board and the auditor(s) based on a recommendation from the Audit Committee.

Any non-audit related services provided by the auditor(s) are agreed with Group Finance according to the Audit fee Group financial guideline approved by the Audit Committee. Such non-audit services are reported to the Audit Committee and reviewed on a quarterly basis.

Moreover, the Board once a year determines the general framework for supply by the auditor(s) of non-audit related services in order to ensure independence on the part of the auditor(s) etc.



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