

Vestas[®]

Notice convening the **Annual General Meeting 2020**

Vestas Wind Systems A/S
Company Reg. No.: 10403782

Wind. It means the world to us.[™]

To the shareholders of Vestas Wind Systems A/S

The Board of Directors hereby convenes for the Annual General Meeting of Vestas Wind Systems A/S (Company Reg. No. 10403782), to be held on

Tuesday 7 April 2020 at 1:00 p.m.
at the Concert Hall Aarhus (Musikhuset Aarhus),
Thomas Jensens Allé, 8000 Aarhus C, Denmark

Registration of admission cards will begin at 11:30 a.m. A light buffet meal will be served from 11:30 a.m. to 12:30 p.m.

Agenda

- The Board of Directors' report on the Company's activities during the past year**
- Presentation and adoption of the annual report**
The Board of Directors proposes adoption of the annual report for 2019.
- Resolution for the allocation of the result of the year according to the adopted annual report**
The Board of Directors proposes that a dividend of DKK 7.93 per share be paid out for 2019. The proposed dividend distribution is in accordance with the Company's dividend policy. For further information, please refer to the annual report 2019, page 115.
- Election of members to the Board of Directors**
At present, the Board of Directors consists of the following members elected by the general meeting: Bert Nordberg, Bruce Grant, Carsten Bjerg, Eva Merete Søfelde Berneke, Helle Thorning-Schmidt, Jens Hesselberg Lund, and Lars Josefsson.

All board members elected by the general meeting are up for election. The Board of Directors proposes re-election of Bert Nordberg, Bruce Grant, Carsten Bjerg, Eva Merete Søfelde Berneke, Helle Thorning-Schmidt, and Lars Josefsson.

Jens Hesselberg Lund has announced that he does not stand for re-election.

The Board of Directors proposes that Anders Runevad and Karl-Henrik Sundström are elected as new members of the Board of Directors.

Further information about the nominated candidates can be found in appendix 1.

5. Adoption of the remuneration of the Board of Directors

5.1 Final approval of the remuneration of the Board of Directors for 2019

The Board of Directors proposes that the total remuneration of the Board of Directors, including the remuneration of members of board committees, DKK 7,491,667¹, remains unchanged as pre-approved by the general meeting in 2019.

5.2 Approval of the remuneration of the Board of Directors for 2020

The Board of Directors proposes that the remuneration for 2020 be based upon an unchanged basic remuneration of DKK 425,000¹ per board member. The chairman receives three times the basic remuneration and the deputy chairman receives two times the basic remuneration for their extended board duties.

In addition to the basic remuneration, members of the Board of Directors receive an unchanged committee fee of DKK 250,000¹ per membership of a board committee and the chairmen of the committees receive DKK 450,000¹ for their extended committee duties.

6. Appointment of auditor

The Board of Directors proposes re-appointment of PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab pursuant to the Audit Committee's recommendation. The Audit Committee has not been influenced by third parties nor subjected to any contractual obligation restricting the general meeting's choice to certain auditors or audit companies.

Further information about the proposed auditor can be found in appendix 2.

7. Proposals from the Board of Directors

7.1 Update of the Company's remuneration policy

The Board of Directors proposes that a revised remuneration policy for Vestas Wind Systems A/S' Board of Directors and Executive Management, which has been approved by the Board of Directors, be adopted by the general meeting.

The remuneration policy has been updated to ensure compliance with the revised section 139 and the new section 139a of the Danish Companies Act and replaces the current general guidelines for incentive pay.

The proposal for the remuneration policy can be found in appendix 3.

¹ The company may also pay social security taxes and similar taxes which are being levied by non-Danish authorities in relation to the remuneration for membership of the Board of Directors or board committees.

If the remuneration policy is adopted, article 13 of the Articles of association will automatically be deleted, see section 139(6) of the Danish Companies Act.

7.2 Update of standard agenda of Annual General Meetings

The Board of Directors proposes that article 5(2) of the Articles of association be amended to read as follows:

The agenda of the Annual General Meeting shall include the following business:

1. *Report of the Board of Directors on the Company's activities during the past year.*
2. *Presentation and adoption of the annual report.*
3. *Resolution for the application of the profits or the covering of losses according to the adopted annual report.*
4. *Presentation and advisory vote on the remuneration report.*
5. *Approval of the Board of Directors' remuneration.*
6. *Election of members to the Board of Directors.*
7. *Appointment of one or two auditors.*
8. *Any proposals from the Board of Directors or shareholders, including any proposals authorising the Company to acquire treasury shares.*
9. *Any other business.*

The new item 4 is proposed due to the introduction of a new section 139b in the Danish Companies Act, according to which the Company is required to submit a remuneration report for an advisory vote at the Company's annual general meeting, starting in 2021.

The new item 5 is proposed to reflect that the remuneration to the Board of Directors is approved at the general meeting every year.

7.3 Reduction of the Company's share capital

In November 2019, the Company initiated share buy-back programme of up to DKK 1,500 million. The purpose of the share buy-back programme was to adjust the Company's capital structure and to meet obligations arising from share-based incentive programmes to employees of Vestas, see company announcement No. 17/2019 of 7 November 2019.

The Board of Directors proposes that the Company's share capital be reduced from nominally DKK 198,901,963 to nominally DKK 196,924,115 through cancellation of treasury shares of nominally DKK 1,977,848, corresponding to 1,977,848 shares of nominally DKK 1.

The capital reduction is legally considered as distribution to the shareholders, see section 188(1)(2) of the Danish Companies Act, as the amount of the capital reduction has been paid out to the shareholders as payment for shares acquired by the Company. The shares to be

cancelled were acquired by the Company during the period from 7 November 2019 until 20 December 2019 at a total of DKK 1,499,993,763 (totalling 2,302,859 shares), corresponding to an average price of DKK 651.36 per share (rounded off), which means that, in addition to the nominal reduction amount, a total of DKK 1,286,316,253 has been distributed to the shareholders.

If the capital reduction is adopted and completed, article 2(1) of the Articles of association will be amended as follows:

"The Company's share capital amounts to DKK 196,924,115 (one hundred and ninety six million nine hundred and twenty-four thousand one hundred and fifteen Danish kroner 00/100), divided into shares in the denomination of DKK 1."

Prior to completion of the capital reduction, the Company's creditors will be requested to file claims, if any, within a four-week deadline through the Danish Business Authority's IT system, see section 192(1) of the Danish Companies Act.

7.4 Renewal of the authorisation to acquire treasury shares

The Board of Directors proposes, pursuant to section 198 of the Danish Companies Act, that the Board of Directors be granted an authorisation to allow the Company to acquire treasury shares in the period until 31 December 2021 up to an aggregate of 10 percent of the Company's share capital at the time of the authorisation, provided that the Company's total holding of treasury shares does not at any time exceed 10 percent of the Company's share capital. The purchase price paid in connection with acquisition of treasury shares must not deviate from the price quoted on Nasdaq Copenhagen at the time of acquisition by more than 10 percent.

8. Authorisation of the chairman of the general meeting

The Board of Directors proposes that the general meeting authorise the chairman of the general meeting (with a right of substitution) to file and register the adopted resolutions with the Danish Business Authority and to make such amendments to the documents filed with the Danish Business Authority, as the Danish Business Authority may request or find appropriate in connection with the registration of the adopted resolutions.

9. Any other business

Aarhus, 5 March 2020

Vestas Wind Systems A/S
On behalf of the Board of Directors

Bert Nordberg
Chairman of the Board of Directors

Further information

Majority requirements

The proposal under agenda items 7.2 and 7.3 must be adopted by a majority of not less than two thirds of all votes cast and of the share capital represented. All remaining proposals may be adopted by a simple majority of votes.

Share capital and voting rights

The Company's share capital amounts to nominally DKK 198,901,963 divided into shares of DKK 1 each. Each share amount of DKK 1 carries one vote.

The right of a shareholder to attend a general meeting and to vote in respect of his/her shares is determined on the basis of the shares held by the shareholder at the record date. The shareholding and voting rights is calculated on the basis of entries in the shareholders' register and any notice of ownership received by the Company for the purpose of registration in the register of shareholders.

Shareholders wishing to exercise their rights are encouraged to contact their depository bank well in advance of the record date to ensure correct and sufficient registration.

The record date is Tuesday 31 March 2020.

Furthermore, participation is conditional upon the shareholder having timely notified the Company of his/her attendance as described below.

Attendance and admission

Shareholders wishing to attend the Annual General Meeting must notify the Company of their attendance no later than Friday 3 April 2020.

Notification of attendance may be done:

- via Vestas' InvestorPortal at the Company's website (vestas.com/investor/general_meeting) or
- by returning the registration form which can be downloaded from the website.

If the form is used, it must be completed and returned to VP Securities A/S, Weidekampsgade 14, 2300 Copenhagen S, Denmark and must be received by VP Securities A/S before the deadline. A scanned copy of the form may also be sent by email to vpinvestor@vp.dk.

Shareholders who want to bring an advisor/attendant must state the name of the attendant when ordering admission cards.

Vestas Wind Systems A/S will send out admission cards to the Annual General Meeting via email. Hence it is important that each shareholder uses VP-ID login via Vestas' InvestorPortal. The shareholder will be requested to register his/her email address if it is not already registered.

The electronic admission card must be presented at the general meeting on e.g. a smartphone or tablet. The shareholder may as an alternative bring a printed version of the admission card. If the shareholder does not have an email address, the admission card can be received by ordinary mail.

Proxy

Shareholders can vote by proxy no later than Friday 3 April 2020.

The proxy form can be submitted:

- electronically via Vestas' InvestorPortal at the Company's website (vestas.com/investor/general_meeting) - requires an electronic access code or
- in writing by using the proxy form, which can be downloaded from the website.

If the form is used, it must be completed, signed and received by VP Securities A/S before the deadline, see the mailing address/email address set out above in the section regarding attendance and admission.

Votes by correspondence

Shareholders can vote by correspondence no later than Monday 6 April 2020 at 12:00 noon.

The correspondence vote can be submitted:

- electronically via Vestas' InvestorPortal at the Company's website (vestas.com/investor/general_meeting) - requires an electronic access code or
- by returning the correspondence vote form which can be downloaded from the website.

If the form is used, it must be completed, signed and received by VP Securities A/S before the deadline, see the mailing address/email address set out above in the section regarding attendance and admission.

Questions from shareholders

Until the date of the Annual General Meeting, shareholders may submit questions concerning the agenda or other documents to be used at the Annual General Meeting. Questions must be submitted in writing to Vestas Wind Systems A/S, Hedeager 42, 8200 Aarhus N, Denmark, attn.: the board secretariat or by email to vestasAGM@vestas.com.

Dividends

Dividend is expected to be available on the shareholders' accounts on Wednesday 15 April 2020, provided that the Board of Directors' proposal under agenda item 3 is approved by the general meeting.

Electronic voting

An electronic voting device – e-voter – will be used for voting at the Annual General Meeting. The e-voter will be handed out in connection with the registration of admission cards. The e-voter must be returned after the Annual General Meeting.

Interpretation

The Annual General Meeting will in general be conducted in Danish. However, the Chairman of the Board of Directors will make his presentation in English.

Equipment to be used for simultaneous interpretation into English or Danish will be handed out at the entrance to "the Large Hall".

Parking at the Concert Hall (Musikhuset) Aarhus

The Annual General Meeting will be held in "the Large Hall" at the Concert Hall in Aarhus, Denmark.

The parking area at the Scandinavian Congress Centre is located close to the Concert Hall. It can be accessed via Thomas Jensens Allé, Skt. Nicolaus Gade or via Sonnesgade. At the entrance to the Scandinavian Congress Centre's parking area the participants will receive a ticket which can be exchanged for a free parking ticket by registration of the admission card for the Annual General Meeting.

There is no refund of charges for parking in other car parks than the carpark area at the Scandinavian Congress Centre.

Additional information

At the Company's website (vestas.com/investor/general_meeting), the following information is available:

- The notice convening the meeting (the agenda/the complete proposals)
- The annual report for 2019
- The total number of shares and voting rights on the date of the notice
- The registration form
- The proxy and vote by correspondence form
- The proposed updated Articles of association
- The proposed updated remuneration policy
- Link to Vestas' InvestorPortal

From Wednesday 5 March 2020 until and including Tuesday 7 April 2020, the above information will also be available for inspection by the shareholders at the Company's headquarters in Aarhus, Denmark.

Personal data – GDPR

For further information on how the Company collects and processes personal data reference is made to Vestas' Privacy Policy (vestas.com/en/about/profile/privacy-policy).

New coronavirus

At present, the Company expects to conduct the Annual General Meeting as planned.

If the Company finds it necessary to make any changes in connection with the Annual General Meeting on the basis of the Danish Health Authority's guidelines regarding the new coronavirus information will be published at the Company's website (vestas.com/investor/general_meeting).

Appendix 1: Election of members to the Board of Directors

Election of members to the Board of Directors

Pursuant to Vestas Wind Systems A/S' Articles of association, the Board of Directors shall consist of five to ten members to be elected by the general meeting for a term of one year.

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

Recruitment criteria

In connection with the election of board members by the general meeting, the retiring Board of Directors shall nominate candidates for the vacant offices on the board in order to ensure that the shareholders are able to elect a continuing Board of Directors.

When proposing candidates for board membership, the Board of Directors strives to ensure that the Board of Directors:

- is able to act independently of special interests;
- represents a balance between continuity and renewal;
- matches the Company's situation;
- is knowledgeable of the industry and has the business and financial competencies necessary to ensure that the Board of Directors can perform its duties in the best way possible; and
- reflects the competencies and experience required in order to manage a Company with shares registered for trade on a stock exchange and fulfil its obligations as a listed Company.

The Board of Directors uses external assistance for the search process and assessment of the profiles and qualifications specifically required in order to complement the expertise reflected in the overall composition of the Board of Directors.

Information about proposed candidates

The information on the following pages describes the competencies and directorships with other Danish and foreign listed and non-listed companies and organisations as disclosed by the board member candidates.

The Company's Articles of association do not include restrictions concerning the number of times a director may be re-elected to the Board of Directors. The Board of Directors finds that seniority in itself is not a crucial criterion, but that long seniority and extensive experience can be highly beneficial to the Company.

The Board of Directors finds that the candidates proposed by the Board of Directors represent broad international business management experience.

In the light of the Company's development and expectations for future growth, continuity in the composition of the Board of Directors has been a major advantage to the Company, and the Board of Directors assesses that there is still a need for such continuity.

Mr Anders Runevad

Born: 16 March 1960
Nationality: Swedish
Resident: Sweden
Position: Professional board member

Does not meet the definition of independence as set out by the Danish Corporate Governance Committee.

Shareholding

Vestas shareholding: 8,096 shares.

Competencies

Education

1985-1989 MBA studies, University of Lund
1980-1984 Master of Science in Electrical Engineering, University of Lund

Former positions

2013-2019 Group President & CEO, Vestas Wind Systems A/S
2010-2013 President Region West & Central Europe, Ericsson
2006-2010 Executive Vice President, Sony Ericsson
2004-2006 President, Ericsson Brazil
2000-2004 Vice President, Sales and Marketing, Business unit Network, Ericsson AB
1996-2000 President, Ericsson Singapore
1991-1996 Product Manager / Director Product Management, LM Ericsson Group
1989-1991 Product Manager, Ericsson-General Electric USA
1985-1989 Various positions at LM Ericsson Group

Special competencies

Competencies which specifically will be essential to the work of the Board of Vestas Wind Systems A/S: In-depth knowledge of the renewable energy industry. Experience from leading an international listed company. Knowledge in International business, strategy development and implementation, corporate management, sales, product development, and operation.

Fiduciary positions

Chairman of the board of MHI Vestas Offshore Wind A/S.

Member of the boards of Nilfisk Holding A/S² and Schneider Electric SE².

Mr Bert Nordberg

Born: 23 March 1956
Nationality: Swedish
Resident: Sweden
Position: Professional board member

Position with Vestas Wind Systems A/S

Member of the Board since 2012 and re-elected for subsequent terms, most recently in 2019.

Chairman of the Board since 2012.

Chairman of the Nomination & Compensation Committee.

Member of the Audit Committee.

Meets the definition of independence as set out by the Danish Corporate Governance Committee.

Shareholding

Vestas shareholding: 14,600 shares.³

Competencies

Education

1985-1986 Courses in International Management, Marketing and Finance at INSEAD University
1979-1980 Engineer in the Swedish Marines from Berga
1976-1979 Degree in Electronic Engineering

Former positions

2009-2012 President & CEO, Sony Mobile Communications AB
2008-2009 Head of Ericsson Silicon Valley, Telefonaktiebolaget LM Ericsson
2004-2008 Executive Vice President of Sales and Marketing, LM Ericsson Group
2003-2004 Senior Vice President of Group function Sales and Marketing, LM Ericsson Group
2002-2003 Head of Business Unit Systems, LM Ericsson Group
2001-2002 Head of Business Unit Global Services, LM Ericsson Group
2000-2004 Executive Vice President of Division Global Services, LM Ericsson Group
1999-2000 Executive Vice President of Ericsson Services, LM Ericsson Group
1996-2000 Head of Enterprise Services, LM Ericsson Group
1980-1996 Various management positions at Digital Equipment Corporation and Data General Corp

Special competencies

Competencies which specifically are essential to the work of the Board of Vestas Wind Systems A/S: In-depth knowledge of restructuring, services and infrastructure business; several years of international business experience; development market knowledge.

Fiduciary positions

Chairman of the boards of Sigma Connectivity AB and TDC A/S.

Member of the boards of Essity AB², Saab Group AB², and Svenska Cellulosa Aktiebolaget SCA².

² Company listed on a stock exchange.

³ The mentioned number of shares includes both own and related parties' total shareholding.

Mr Bruce Grant

Born: 30 May 1959
Nationality: American
Resident: USA
Position: Executive Chairman, Applied Value LLC

Position with Vestas Wind Systems A/S

Member of the Board since 2019.
Member of the Technology & Manufacturing Committee.

Meets the definition of independence as set out by the Danish Corporate Governance Committee.

Shareholding

Vestas shareholding: 0 shares.

Competencies

Education

1981-1984 PhD Cand. Industrial Management,
Chalmers University of Technology
1977-1981 MSc., Business Economics,
University of Gothenburg

Former positions

1995-1997 President, Arthur D. Little North America
1993-1995 President, Arthur D. Little Scandinavia

Special competencies

Competencies which specifically are essential to the work of the Board of Vestas Wind Systems A/S: In-depth knowledge of strategy and turn-around implementation in the renewable industry and large, global industrial companies. Expert on sourcing the steel market and in depth knowledge of the US market.

Fiduciary positions

Chairman of the boards of Applied Invest LLC, Applied VenCap LLC, and Human Care Corporation.

Deputy chairman of the board of CosmosID, Inc.

Member of the boards of RiverMeadow LLC and Swedish-American Chamber of Commerce, Inc.

Positions of trust

Chairman of the board of Hand in Hand International.

Mr Carsten Bjerg

Born: 12 November 1959
Nationality: Danish
Resident: Denmark
Position: Professional board member

Position with Vestas Wind Systems A/S

Member of the Board since 2011 and re-elected for subsequent terms, most recently in 2019.
Member of the Technology & Manufacturing Committee.
Member of the Audit Committee.

Meets the definition of independence as set out by the Danish Corporate Governance Committee.

Shareholding

Vestas shareholding: 4,019 shares.

Competencies

Education

1984-1985 ACPMM, University of Cambridge
1983 BSc Engineering,
The Engineering Academy of Denmark

Former positions

2007-2013 Group President, Grundfos Group and Managing Director, Grundfos Holding A/S
2006-2007 Acting CEO, Grundfos Management A/S
2003-2006 Deputy CEO, Grundfos Management A/S
2000-2003 EVP, Production & Logistics, Grundfos Management A/S
1997-2000 SVP, International Production, Grundfos Management A/S
1994-1997 Product Line Director, Danfoss A/S
1989-1994 Plant Manager, Danfoss A/S
1985-1989 Project Manager, Danfoss A/S
1983-1984 Engineer & Trainee, Danfoss A/S

Special competencies

Competencies which specifically are essential to the work of the Board of Vestas Wind Systems A/S: In-depth knowledge of managing an international group including thorough knowledge of R&D, manufacturing, and strategic management.

Fiduciary positions

Chairman of the boards of Hydrema Holding ApS, Bogballe A/S and Bogballe Investment A/S, Ellepot A/S and Ellegaard Investment I ApS, Guldager A/S and CapHold Guldager ApS, Robco Engineering A/S and Robco Engineering Investment A/S, Arminox A/S and Arminox Investment A/S, Bjerringbro-Silkeborg Håndbold A/S - and PCH Engineering A/S and PCH Investment A/S.

Deputy chairman of the board of Rockwool International A/S.⁴

Member of the boards of Agrometer A/S, Agrometer Investment A/S, Dansk Smede- og Maskinteknik A/S, and IBP H ApS - and TCM Group A/S⁴, and TMK A/S.

⁴ Company listed on a stock exchange.

Ms Eva Merete Søfelde Berneke

Born: 22 April 1969
Nationality: Danish
Resident: Denmark
Position: CEO, KMD A/S

Position with Vestas Wind Systems A/S

Member of the Board since 2019.
Member of the Nomination & Compensation Committee.

Meets the definition of independence as set out by the Danish Corporate Governance Committee.

Shareholding

Vestas shareholding: 2,000 shares.

Competencies

Education

1994-1995 MBA program, INSEAD University
1988-1992 Master of Mechanical Engineering,
Technical University of Denmark
1990-1991 Master studies, Economics, École Centrale Paris

Former positions

2012-2017 Senior Executive Vice-President, TDC A/S
2009-2011 Chief of Staff, TDC A/S
2007-2009 Chief Strategy Officer and
member of Group Management, TDC A/S
1998-2007 Partner, McKinsey & Co.
1993-1998 Consultant and Engagement Manager,
McKinsey & Co.

Special competencies

Competencies which specifically will be essential to the work of the Board of Vestas Wind Systems A/S: In-depth knowledge of corporate management including knowledge of strategy execution, management of a listed company, digitalisation, and IT.

Fiduciary positions

Chairman of the board of Charlie Tango A/S.

Deputy chairman of the board of Edlund A/S.

Member of the boards of Danmarks Nationalbank, Ecole Polytechnique, KMD Venture A/S, LEGO A/S, and four subsidiaries of the KMD Holding ApS.

Positions of trust

Member of the board of Technical University of Denmark.

Ms Helle Thorning-Schmidt

Born: 14 December 1966
Nationality: Danish
Resident: United Kingdom
Position: Professional board member

Position with Vestas Wind Systems A/S

Member of the Board since 2019.
Member of the Nomination & Compensation Committee.

Meets the definition of independence as set out by the Danish Corporate Governance Committee.

Shareholding

Vestas shareholding: 0 shares.

Competencies

Education

1992-1993 Master's Degree in European Studies
from the College of Europe in Bruges
1987-1994 Master's Degree in Political Science
from the University of Copenhagen

Former positions

2011-2015 Prime Minister of Denmark
2005-2015 Member of Danish Parliament
and leader of the Social Democratic Party
1999-2004 Member of the European Parliament

Special competencies

Competencies which specifically is essential to the work of the Board Vestas Wind Systems A/S: In-depth knowledge of governmental affairs and political environments as well as strategic management of international and political organisations.

Fiduciary positions

Chair of the board of SelectionF ApS.

Member of the boards of Carsoe Group A/S, DJE Holdings Limited, SafeLane Global Limited, and The Fertility Partnership Limited.

Positions of trust

Chair of the board of Danish Football Union's (DBU) Governance and Development Committee.

Member of the boards of Islamic Development Bank and Schwab Foundation for Social Entrepreneurship.

Members of the advisory boards of Algebris Research & Policy Forum, Atlantic Council, Council on Foreign Relations, and US Council on Foreign Relations.

Members of the councils of 21st Century Council – The Bergguen Institute and European Council on Foreign Relations.

Member of the board trustee of the International Crisis Group.

Member of the International Commission of Financing Global Education Opportunity.

Mr Karl-Henrik Sundström

Born: 10 April 1960
Nationality: Swedish
Resident: Sweden
Position: Professional board member

Meets the definition of independence as set out by the Danish Corporate Governance Committee.

Shareholding

Vestas shareholding: 0 shares.

Competencies

Education

1997 Advanced Management Program, Harvard Business School
1985-1987 Trainee Financial Management, LM Ericsson Group
1982-1985 Business Administration, specialising in Finance and Accounting, Uppsala University
1979-1981 Royal Coast Artillery, Rank Master Sergeant and Boat Chief, Military Service

Former positions

2014-2019 CEO, Stora Enso AB
2013-2014 Executive Vice President – Printing & Living, Stora Enso AB
2012-2013 CFO & Executive Vice President, Stora Enso AB
2008-2012 CFO & Executive Vice President, NXP Semiconductors N.V.
2003-2007 CFO & Executive Vice President, LM Ericsson Group
2002-2003 Vice President and Head of Ericsson Global Services, LM Ericsson Group
1999-2002 Managing Director Ericsson Australia, LM Ericsson Group
1997-1999 Corporate Treasurer and Senior Vice President, LM Ericsson Group
1992-1997 Business Area Controller Public Telecommunications, LM Ericsson Group
1988-1991 CFO for Compania Argentina de Telefonos, LM Ericsson Group
1985-1988 Various positions within the LM Ericsson Group
1982-1985 Foreign Currency Dealer, Svenska Handelsbanken

Special competencies

Competencies which specifically will be essential to the work of the Board of Vestas Wind Systems A/S: In-depth knowledge of sustainability, strategy, accounting and finance. International experience of marketing and sales of capital goods.

Fiduciary positions

Chairman of the board of TrackLib AB.

Member of the boards of Mölnlycke Health Care AB, NXP Semiconductors N.V.⁵ and Sustainable Energy Angels AB.

Positions of trust

Chairman of the tax delegation for Swedish Business and Commerce.

Member of the board of the Marcus Wallenberg Foundation.

Mr Lars Josefsson

Born: 31 May 1953
Nationality: Swedish
Resident: Sweden
Position: Independent consultant

Position with Vestas Wind Systems A/S

Member of the Board since 2012 and re-elected for subsequent terms, most recently in 2019.

Deputy Chairman since 2012.

Chairman of the Technology & Manufacturing Committee.

Member of the Nomination & Compensation Committee.

Meets the definition of independence as set out by the Danish Corporate Governance Committee.

Shareholding

Vestas shareholding: 3,500 shares.

Competencies

Education

1990 International Advanced Management Programme (IAMP)
1984-1985 Degree in Business Economics, University of Uppsala
1973-1977 Master of Science, School of Engineering Physics, Chalmers University of Technology

Former positions

2012-2013 CEO, Micronic Mydata AB
2011-2012 CEO, Alimak Hek AB
2004-2011 President, Sandvik Mining and Construction
2003-2004 President, Siemens Industrial Turbines AB
1999-2003 President, ALSTOM Power Sweden AB
1977-1999 Various management positions at ABB

Special competencies

Competencies which specifically are essential to the work of the Board of Vestas Wind Systems A/S: In-depth knowledge of managing international companies including research, development, technology and production.

Fiduciary positions

Chairman of the board of TimeZynk AB.

Member of the boards of Holmen AB⁵, Metso Oyj⁵, and Ouman Oy.

⁵ Company listed on a stock exchange.

Appendix 2: Appointment of auditor

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab

Nobelparken
Jens Christian Skous Vej 1
8000 Aarhus C
Denmark
Company Reg. No. 33771231

Signing partners

An auditor may as a main rule only be the signing partner for a listed company for up to seven years according to the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark. This is to ensure the auditor's independence in relation to the company.

Claus Lindholm Jacobsen

Partner, PricewaterhouseCoopers, Denmark
State Authorised Public Accountant

Appointed signing partner for the annual reports 2018-2019.

Special insight into

Auditing, IFRS, and advice to global companies within finance organisation and optimisation.

Experience

Global industrial groups headquartered in Denmark within the private sector.

Kim Tromholt

Partner, PricewaterhouseCoopers, Denmark
State Authorised Public Accountant

Appointed signing partner for the annual reports 2015-2019.

Special insight into

Auditing, IFRS, acquisition and sale of companies, and internal controls.

Experience

International groups headquartered in Denmark within the private sector.

Policy for procurement of audit and non-audit services

The Vestas Group's auditors may be used, within certain parameters, for certain non-audit services, and they may often be the preferable choice due to business knowledge, confidentiality, and cost considerations.

Vestas has a policy for non-audit services ensuring that the provision of non-audit services to the Group does not impair the auditor's independence or objectivity. The Audit Committee is responsible for the development and maintenance of this policy and monitors compliance.

During 2019, audit and non-audit services provided by the Group auditors globally totalled EUR 6 million, of which 55 percent is audit related – the ratios have been calculated in accordance with guidelines prepared by certain proxy advisors. Excluding significant projects that are considered one-off in nature, audit related services accounted for 88 percent of audit and non-audit services provided by the Group auditors globally in 2019.

Independent auditor's report

Regarding the independent auditor's report on Vestas Group's Consolidated Financial Statements and Vestas Wind Systems A/S' Parent Company Financial Statements, please see the annual report 2019, pages 111 and 113.

Appendix 3: Remuneration policy

1. Purpose and remuneration principles/objectives

This remuneration policy (Remuneration Policy) is designed to attract, motivate and retain qualified members of the Board of Directors (the Board) and the Executive Management of Vestas Wind Systems A/S (the Company), and reflects the interests of the Company's shareholders and stakeholders. The Executive Management refers in this policy only to members of the Executive Management of the Company registered as such with the Danish Business Authority.

The Remuneration Policy is prepared in accordance with sections 139 and 139a of the Danish Companies Act.

The policy is reviewed by relevant internal stakeholders reflecting legislative updates, good corporate governance as well as any feedback regarding the Remuneration Policy or the remuneration report (Remuneration Report) received at the Annual General Meeting from shareholders. The policy will be reviewed annually by the Company's Nomination & Compensation Committee. In case of significant changes to the policy, or at least every 4th year, the Remuneration Policy will be presented for approval by the shareholders at the Company's Annual General Meeting.

To avoid conflicts of interest in the review of the Remuneration Policy, the Company involves both various internal stakeholders and an external partner in reviewing and amending the Remuneration Policy before presenting it for approval at the Annual General Meeting. To avoid conflicts of interest in relation to the actual remuneration, the shareholders approve the remuneration of the Board at the Annual General Meeting. The remuneration of the Executive Management outlined in this Remuneration Policy is based on a recommendation from the Nomination & Compensation Committee and later approved by the Board in order to mitigate the risk of conflicts of interest.

The remuneration of the Board and the Executive Management must support Vestas[®] strategic goals and promote long-term value creation aligned with the interest of the Company's shareholders. Through involvement of internal stakeholders and the Nomination & Compensation Committee, Vestas' strategy for sustainability is considered as part of the strategic input for the overall compensation design for Executive Management. Vestas' vision of being the global leader in sustainable energy solutions requires Vestas to sustain a talented, agile and cost-effective organisation. This combined with the long-term performance of the company and the corporate values – Simplicity, Collaboration, Accountability, and Passion – guides the overall principles for and the individual elements of remuneration for both the Board and the Executive Management. To ensure that Vestas' remuneration promotes both strategic goals as well as long-term value creation and sustainability, the Remuneration Policy includes both fixed remuneration, short-term incentives, and long-term incentives.

With due consideration of market practice for remuneration and other terms of employment for boards of directors and executive management in comparable companies and the duties and responsibilities of the Board and Executive Management, the Board considers the Remuneration Policy to be appropriate in relation to the pay and employment conditions of Vestas' non-executive employees. Vestas uses the same methodology and approach for the review and benchmarking of remuneration levels for all positions with consideration of, among others, the impact and scope of the position.

2. Remuneration to the Board of Directors

The remuneration of the Board and its committees is set to match the remuneration levels in comparable companies, considering the Board members' required competencies, efforts and the scope of the board's work, including the number of meetings.

Board members elected by the employees receive the same remuneration as the board members elected by the Annual General Meeting.

Members of the Board are remunerated with a fixed annual fee and shall not be covered by incentive programmes or otherwise be entitled to variable remuneration.

The remuneration of the Board members for the past year is presented as part of the annual Remuneration Report. The level of Board remuneration for the current year is approved at the Annual General Meeting.

2.1 Fixed remuneration

Members of the Board receive a fixed cash payment (basic board remuneration).

The basic board remuneration for the chairman corresponds to triple basic Board remuneration, and for the deputy chairman it corresponds to double basic board remuneration, provided to compensate for their extended board duties.

2.2 Committee remuneration

Board members who are also members of one of the board committees are paid an annual committee remuneration. The committee remuneration is determined as a base fee, and the committee chairman receives an additional remuneration of 80 percent of the committee remuneration.

The total committee remuneration which a member of the Board can receive annually is capped at 200 percent of the basic board remuneration applicable to each board member.

⁶ "Vestas" is the entity covering the two business areas Power solutions and Service. The entity includes all subsidiaries over which Vestas has control.

2.3 Remuneration for ad hoc tasks

Individual board members may take on specific ad hoc tasks outside their normal duties assigned by the Board. In each such case, the Board shall determine a fixed remuneration for the work carried out in relation to those tasks. The fixed remuneration will be presented for approval at the following Annual General Meeting.

Additional compensation may be offered for board members taking up board responsibilities on behalf of Vestas in joint ventures and/or Vestas' subsidiaries. If payable by Vestas or a subsidiary of Vestas, the Board shall determine a fixed remuneration for the work carried out in relation to those tasks. The fixed remuneration will be presented for approval at the following Annual General Meeting.

The total ad hoc remuneration a member of the Board can receive annually is capped at 150 percent of the basic board remuneration applicable to each board member.

2.4 Social security taxes and similar taxes

Vestas may pay social security taxes and similar taxes imposed by non-Danish authorities in relation to the remuneration. Such payments to a member of the Board are capped annually at 50 percent of the basic board remuneration applicable to each board member.

2.5 Shareholding obligations

A board member elected by the General Meeting is obligated to maintain a holding of Vestas shares. The value of this holding must have a value equal to or above the gross value of the total annual basic board remuneration received by each individual board member, as approved by the General Meeting.

The board members have five years to accumulate the guided shareholdings, and the Nomination & Compensation Committee will assess the compliance annually in connection with the preparation of the Remuneration Report. Evaluation of the shareholdings and any individual exception follow the guidance set by the Nomination & Compensation Committee. The Board can allow for a short period of individual exception.

2.6 Board member election and remuneration

Board members elected by the General Meeting shall retire at the following Annual General Meeting and no compensation will be offered to board members who are not re-elected.

2.7 Compensation in the event of a takeover of Vestas

In the event of any takeover, retiring board members will not receive any compensation for their lost board remuneration and similar benefits.

2.8 Reimbursement of expenses

Actual expenses incurred by the board member in connection with board and committee meetings or in connection with the performance of the board member's duties are reimbursed.

2.9 Pension scheme

The Board is not covered by any Vestas pension scheme.

2.10 Insurance

The Board is covered by a directors and officers liability insurance paid by Vestas.

3. Remuneration to the Executive Management

This Remuneration Policy describes the terms and governance for remuneration of members of Executive Management registered with the Danish Business Authority.

The Board believes that a combination of fixed and performance-based pay to the Executive Management contributes to Vestas' ability to attract and retain key employees. 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.

Members of Executive Management are individually employed under executive service contracts, facilitated by the Board and the Nomination & Compensation Committee in accordance with this policy.

The Nomination & Compensation Committee submits proposals concerning the remuneration of Executive Management for approval by the Board, and ensures the proposals are in line with conditions in comparable companies.

Executive Management receives a competitive remuneration package consisting of the following fixed and variable components:

- Fixed remuneration (annual fixed salary)
- Ancillary benefits
- Variable remuneration
 - Cash bonus (short-term incentives)
 - Performance shares (long-term incentives)
- Other forms of special remuneration provided for in the Remuneration Policy

3.1 Annual fixed salary

The annual fixed salary is set to provide a competitive remuneration to attract and retain members of the Executive Management having the required professional and personal competences. The salary level is decided based on valid market information and is reviewed annually by the Nomination & Compensation Committee against comparable positions as well as the salary development for Vestas' employees in general. When reviewing the salary level, the impact and scope of the roles as well as the size and type of the company is considered to ensure valid market comparison.

Members of the Executive Management do not receive any remuneration for directorships (whether executive positions or board memberships) held in Vestas' subsidiaries or joint ventures.

3.2 Ancillary benefits

Members of the Executive Management are entitled to customary work-related benefits, including company car, telephone, internet access, work-related newspapers, magazines, etc. The extent of individual benefits is negotiated with each member of the Executive Management and reflects local market practice.

Furthermore, the Executive Management is covered by Vestas' insurances:

- Accident insurance
- Health insurance
- Directors and officers liability insurance

Members of the Executive Management may also be offered relocation benefits, e.g. housing allowance, children's school tuition fee, and reimbursement of tax.

The value of the benefits and allowances provided to the relevant Executive Management members may not exceed 50 percent of their fixed annual salary.

3.3 Pension scheme

Members of the Executive Management are not covered by Vestas' employer administered pension plan, as this is considered included in their annual fixed salary.

3.4 Variable components

In addition to the annual fixed salary the Executive Management receives variable remuneration. The variable remuneration reflects both the short- and long-term performance of Vestas. The variable components shall always be within the limits of the terms of the Remuneration Policy adopted by the General Meeting.

In the event of recruitment of new members to the Executive Management, the Nomination & Compensation Committee may extraordinarily decide to grant a sign-on cash incentive. The sign-on incentive must be finally approved by the Board and reported as part of the remuneration report presented at the Annual General Meeting. Subject to the same procedure, the Board may also enter into agreements regarding payment of extraordinary severance pay to the Executive Management.

Executive Management is eligible for the following variable remuneration programmes:

- Cash bonus (short-term incentives)
- Performance shares (long-term incentives)

The purpose of the design and use of the two forms of variable remuneration is to ensure alignment of the Executive Management and the shareholders and to motivate the Executive

Management to achieve strategic goals and long-term value creation for Vestas.

The balanced approach to short- and long-term performance in the remuneration ensures that Vestas rewards the annual performance as well as the long-term perspective to support a sustainable development of Vestas by avoiding short-term-focused or risky behaviour by the Executive Management.

The annual process for selecting KPIs and setting targets for the incentives is based on Vestas' strategic direction for the coming and future years. The process includes input from each business area and leads to a consolidated strategic prioritisation from the Executive Management and the Board when deciding the KPIs and targets for the coming performance year.

The variable remuneration for the Executive Management is relative to the annual fixed salary as follows;

- Cash bonus: 50 percent of fixed salary on target level – capped at 75 percent of fixed salary
- Performance shares: 100-200 percent of fixed salary on target level – capped at 1.5 times target level (the number of shares allotted to Executive Management is evaluated annually and assessed by the Nomination & Compensation Committee in comparison with development in the Vestas share price)

3.4.1 Cash bonus

Members of the Executive Management participate in an annual cash incentive based on the results for the year. The bonus is intended to ensure the attainment of Vestas' short-term objectives, and payment is dependent on the adoption of the annual report for the relevant financial year.

The bonus pay-out level is defined by a weighted target achievement and is capped at a certain percentage of the individual fixed salary, with the target and maximum pay-out levels set at 50 percent and 75 percent of the annual fixed salary, respectively.

The bonus is based on target achievement on a number of parameters approved by the Board including financial and commercial KPIs such as EBIT margin, free cash flow, revenue, as well as any other approved KPIs aligned to the strategic priorities of the financial year.

Based on input from the Nomination & Compensation Committee, the Board ascertains whether the individual bonus parameters have been met by the relevant members of the Executive Management, based on their insight in the operations of Vestas and any relevant key figures derived from the adopted annual report. An Executive Management member's failure to meet the targets at a defined minimum acceptable performance level may result in the annulment of the bonus for the financial year.

3.4.2 Performance shares

The Executive Management is eligible for participation in a performance share incentive programme. The objective of the programme is to retain members of the Executive Management, create long-term shareholder value, and ensure achievement of Vestas' long-term strategic goals in a sustainable way. The programme is based on restricted performance shares and contains elements of both short- and long-term performance.

The main terms of the programme are disclosed in connection with the Board's approval of the programme. Granting of shares under the programme is contingent on continued employment at the time of vesting, subject to certain good leaver provisions.

The performance shares are conditionally awarded free of charge as annual revolving grants with a three- to five-year vesting period. This ensures a long-term connection to the share price development for the remuneration of the Executive Management. The development of Vestas' share price is a direct indicator of the sustainability of the company – both by displaying the long-term economic condition of the company and due to the correlation of sustainable and responsible companies and better long-term performance.

The Nomination & Compensation Committee can propose for the Board to extraordinarily deviate from any requirements in relation to continued employment or vesting, ref. section 3.10.

For any financial year, the Executive Management may be rewarded with restricted performance shares based on achievement of certain targets. The targets may be KPIs based on financial targets including earnings per share, return on capital employed, the Vestas market share, as well as any other approved KPIs aligned to the strategic priorities of the financial year. All KPIs and targets are defined by the Nomination & Compensation Committee and approved by the Board.

The programme is based on three performance years. The actual number of performance shares is dependent on the performance in the three performance years, and will be adjusted upwards or downwards, based on Vestas' performance on the selected KPIs. The overall performance measurement is decided by the Board and evaluated annually to reflect the current strategic priorities and the long-term value creation.

The Nomination & Compensation Committee will evaluate the selected KPIs annually and may redefine or adjust these for any individual performance year, subject to approval by the Board. For any financial year, the target number of shares will be evaluated by the Nomination & Compensation Committee based on the market level for long-term incentives for comparable positions.

The annual target number of shares may amount to a value of 100-200 percent of the annual fixed salary for the Executive Management at a target achievement and compared to the Vestas share price at or around the communication of the target number to the Executive Management. The actual number of

restricted performance shares available for distribution ranges between 0 and 150 percent of the target level.

The performance shares will vest in two portions:

- the first half of the shares will vest three years after the disclosure of the programme and
- the second half of the shares will vest five years after the disclosure.

The number of performance shares available for vesting may be adjusted in the event of changes in Vestas's capital structure. In the event of a change of control, merger, winding-up or demerger of the company, accelerated vesting may extraordinarily take place. Furthermore, in the event of certain transfers of activities or changes in ownership interests within the Vestas Group, adjustment, replacement of the programme and/or settlement in cash of the programme entirely or partly may take place.

Vestas may cover any awarded and vested performance shares by purchase of treasury shares, ref. the Annual General Meeting's authorisation to the Board.

3.5 Shareholding obligations

All members of Executive Management are subject to the guidance of holding Vestas shares at a value equal to or above the gross value of their annual fixed salary. The intention is for the Executive Management to obtain ownership of the shares through participation in Vestas' share incentive programmes. The members of Executive Management have five years to accumulate the required shareholdings, and the Nomination & Compensation Committee will assess the compliance with the obligation, as part of the preparation of the annual Remuneration Report. The Nomination & Compensation Committee can propose for the Board to allow for a short period of individual exception. Evaluation of the shareholdings and any individual exception follow the guidance set by the Nomination & Compensation Committee.

3.6 Claw-back

In the situation where bonus, performance shares (both vested and non-vested shares) or other variable remuneration have been provided to a member of the 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.

3.7 Notice of termination

Vestas can terminate the employment of members of the Executive Management by giving 24 months' notice to the end of a month. A member of the Executive Management can terminate the employment with Vestas by giving 12 months' notice to the end of a month.

3.8 Redundancy pay/severance pay

There is no agreed redundancy pay/compensation for voluntary or non-voluntary termination.

3.9 Addendums

If a member of the Executive Management holds addendums or the like with special terms of any kind then this will be described in the Remuneration Report to the extent such disclosure is required by the Danish Companies Act.

3.10 Special arrangements under the Remuneration Policy

In extraordinary cases, the Board may approve additional remuneration on a discretionary basis if the Board finds that it is in the overall interest of Vestas, and if it is recommended by the Nomination & Compensation Committee. Such additional remuneration may be made in the form of sign-on bonuses, one-off bonuses, retention bonuses or severance payments. Such remuneration may consist of cash payments and/or share-based remuneration and may or may not include performance criteria for the Executive Management member. The value of such extraordinary remuneration may not exceed 100 percent of the individual Executive Management member's fixed annual salary for the year in which the remuneration is approved. In case of an on-boarding process, the agreed annual fixed salary effective at the commencement of the employment shall serve as the basis for the above cap.

4. Derogation from policy

In the event of a new member joining the Executive Management, or Vestas experiencing a challenging financial situation or a change of ownership (defined in section above), the Board can extraordinarily approve derogation from the Remuneration Policy. Any derogation must be informed to the shareholders at the coming Annual General Meeting by including a description thereof in the Remuneration Report presented at that Annual General Meeting.

5. Policy approval

The Remuneration Policy has been approved by the Board in February 2020.

This Remuneration Policy replaces the Remuneration Policy for Vestas adopted at the Annual General Meeting held 30 March 2016 and Vestas' General guidelines for incentive pay for the Board and the Executive Management adopted at the Annual General Meeting held 30 March 2015.

The Remuneration Policy is available at Vestas' website.

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