

# Report from the Audit Committee

In 2021, there were no changes to the composition of the Audit Committee.

The experience of the committee members presented on pages 52-53, demonstrates that the committee as a whole has competence that is entirely relevant to the sector in which Vestas operates. The committee also has the necessary commercial, regulatory, financial and audit expertise required to fulfil its responsibilities. The Chair of the Committee, Karl-Henrik Sundström, holds the financial accounting qualifications required by the Danish Auditors' Act. Furthermore, all committee members have acquired sector knowledge and experience as a result of their Board membership.

## External auditor

In April 2021, at the Annual General Meeting, the shareholders re-elected PricewaterhouseCoopers as Vestas' external auditor for the financial year. Furthermore, the leading auditors participated in all four Audit Committee meetings.

## Composition and meetings of the committee

Members	Member since	Meeting attendance*	Independence**
Karl-Henrik Sundström	April 2020	4/4	Independent
Bert Nordberg	April 2020	4/4	Independent
Eva Merete Søfelde Berneke	April 2020	4/4	Independent

\* The first figure represents attendance and the second figure the possible number of meetings. In cases where a board member was appointed during the year, only meetings in that member's active board period are shown.

\*\* In accordance with recommendation 3.2.1 of the Danish Corporate Governance Recommendations as designated by Nasdaq Copenhagen.

## Purpose and responsibilities

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.

A detailed description of the committee's responsibilities is available in the committee's charter which can be found on our corporate website.

## Activities

During 2021, the committee received comprehensive reports from management and the external auditor on a variety of topics related to management controls and accounting policies, practices, and reporting. The committee also reviewed the Group risk report and EthicsLine reports, and considered responses and conclusions to the various findings.

Other activities carried out by the committee include:

- Review of work performed by the external auditor, including the audit plan, audit fee, and auditor's independence. The tender process to appoint a new statutory auditor as of January 2024 was also reviewed.
- Review of all reports before disclosure, including four financial reports and the annual Sustainability Report (including a report on underrepresented gender and diversity), the Remuneration Report, and the Corporate Governance Report.
- Assessment of capital structure and dividend proposal, which involved the refinancing of existing revolving credit facilities, share splits and the dividend per share.
- Analysis of Information Security, including an update on the cyber security programme.



"We thoroughly challenge Vestas' reports and underlying assumptions to ensure the integrity of financial reporting, effectiveness of the risk management framework, and system of internal controls, cyber security as well as consideration of ethics and compliance matters."

**Karl-Henrik Sundström**  
Chairman of the Audit Committee

- Review of related parties and compliance with Vestas' "Corporate Policy on Related Party Transactions" and threshold for 2021.
- Evaluation of the need for an internal audit function.
- Update on topics discussed in the Disclosure Committee.
- Review of tax topics, tax policy, risks and the development of VAT receivables, including related provisions.
- Review of insurance, with an update on the global insurance programme and development.
- Review of treasury policy, including the framework for financial risks related to Vestas' business.
- Evaluation and assessment of work performed by the Audit Committee in 2021.
- Update of Codes of Conduct, incorporating the Offshore and Global Development businesses.