

Report from the Nomination & Compensation Committee

In 2021, there were no changes to the composition of the Nomination & Compensation Committee.

The competence of the committee members presented on paged 52-53, and therefore of the committee as a whole, is entirely relevant to the sector in which Vestas operates. Furthermore, all committee members have acquired sector knowledge and experience as a result of their Board membership or previous employment at Vestas.

Composition and meetings of the committee

| Members | Member since | Meeting attendance* | Independence** |
|----------------------------|--------------|---------------------|-----------------|
| Bert Nordberg | March 2021 | 8/8 | Independent |
| Anders Runevad | April 2020 | 8/8 | Not independent |
| Eva Merete Søfelde Berneke | April 2020 | 8/8 | Independent |
| Helle Thorning-Schmidt | April 2020 | 8/8 | 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 Nomination & Compensation Committee supports the Board on staff-related topics, including assessment of remuneration, and on the evaluation of the performance and achievements of the Board and Executive Management.

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 assisted the Board on issues such as the nomination of candidates, the evaluation of the Board, and the review of the Remuneration Policy and Remuneration Report. It also reviewed the strategy and guidelines around incentive earnings and remuneration schemes for the Group in general. Furthermore, the committee received comprehensive reports from management on a variety of topics, including the employee survey, the people review process and progress on diversity and inclusion.

Other activities carried out by the committee include:

- Preparation of the annual evaluation, which involved working with an external partner on the evaluation of the Board and its committees in October 2021.
- Incentive programme assessment, looking at the ongoing status of current incentive programmes and approving the coming year's activities.
- Evaluation of the composition of the Executive Management team, including the appointment of a new CFO and CSO, Sales.
- Preparation of the appointment of new Regional Presidents in Vestas Americas and Vestas Mediterranean, and the new Region Vestas Latin America, as well as a new head of Offshore Commercial.



"2021 external evaluation proved a well-functioning, collaborative, and constructive Board."

Bert Nordberg
Chairman of the Nomination & Compensation Committee

- Performance review and succession planning for Executive Management, ensuring a richer and more proactive talent pool for future appointments.
- Review of completed and planned activities to ensure diversity and inclusion.
- Executive compensation review, looking at all Group Senior Vice Presidents, Regional Presidents and Executive Management against the market for position level and compensation.
- Review of 2021 Remuneration Report for approval at the Annual General Meeting in April 2022.
- Review of results from the performance/potential evaluation, talent programmes and succession planning for all Vestas.
- Review of results from the Vestas employee survey.
- Evaluation of the Nomination & Compensation Committee, with an assessment of work performed by the committee in 2021.