



Leading the way to affordable and clean energy

Since Vestas joined the United Nations Global Compact initiative in 2009, we have been actively supporting the 10 principles throughout our business and value chain as part of our overall sustainability approach. Our commitment to sustainability is two-fold: How we act and do business globally as a carbon-conscious company; and how the future success of our product is paramount to a sustainable future.

2017 was a landmark year for Vestas. With a history of pioneering the modern wind industry reaching back 35 years, we decided to set out an even bolder vision for our company: to become the global leader in sustainable energy solutions. This year we joined RE100 -- a global, collaborative initiative of influential businesses committed to using 100 percent renewable electricity -- and made clear Vestas' commitment to stay at this level by expanding our supply of renewable electricity, as our operations and electricity consumption grows.

In 2017, Vestas also continued its active engagement in the global sustainability arena. We reiterated our commitment to support the UN Sustainable Development Goals (SDGs), which we believe can drive sustainable development towards 2030. The SDGs are integrated into Vestas' sustainability approach, with a focus on six SDGs that have been identified as goals where Vestas can add most value. Naturally, as a company with a vision to be the global leader in sustainable energy solutions, SDG 7 - Affordable and clean energy -- has become our overarching goal. The additional five goals we are working with are: Climate action (SDG 13); Decent work and economic growth (SDG 8); Quality education (SDG 4); Responsible consumption & production (SDG 12); and Partnerships for the goals (SDG 17). In partnering with initiatives, such as [UNLEASH](#), Vestas continues to proactively advance sustainable development on the global stage.

Ongoing commitment to sustainability

Vestas' commitment to sustainability is reflected in our strategy, Code of Conduct and supporting policies on human rights, labour, environment, and anti-corruption. In 2017, we continued rolling out our new Employee Code of Conduct and Business Partner Code of Conduct, with a focus on increasing awareness of our values and principles. To further strengthen employee awareness of our Employee Code of Conduct, we launched a mandatory sign-off on the Employee Code of Conduct for all salaried employees in 2017.

Vestas acknowledges that producing solutions to harness wind energy makes a small negative impact on the environment. Together with our suppliers and customers, Vestas is committed to reducing this impact to the greatest extent possible.

Minimising Vestas' environmental impacts includes the impacts which manifest over the operational lifetime of a wind turbine. We made progress in 2017 by reaching the product carbon footprint target set for 2020 -- a reduction of 5 percent versus 2015 - three years ahead of schedule. We now have set a new target for a further reduction by 2020.

Since the end of 2016, Vestas has increased the share of renewable energy in our total energy consumption from 52 to 57 percent. These targets and results reveal our company's effort to decrease our carbon footprint across our business and increase our use of renewable energy.

The past year we have also been proactively incorporating our SDG commitment to our social sustainability approach, particularly focusing on emerging markets. Vestas conducts a Social Due Diligence on wind farm projects in scope to ensure that the social risks are identified and prevented and/or mitigated. Through this process, we also identify local community development opportunities, which are linked to the SDGs, and can be implemented in partnerships. Such initiatives are right now ongoing in India and Mexico.

We continue to place high importance on health and safety, as any injury is one too many. In 2017, Vestas continued its journey towards no injury by achieving a total recordable injury rate of 5.3, corresponding to a reduction of 23% compared to 2016. Despite a continued reduction in injuries, a Vestas employee and a contractor employee suffered fatal injuries. Several health and safety initiatives were started in 2017, complementing existing initiatives that continue to be rolled out.

Towards a new clean energy economy in 2018

Key to sustainability at Vestas is partnerships with our customers, suppliers, and local communities. We know that we cannot do it alone; it takes more than just technologically advanced wind turbines to bring clean, affordable and reliable energy to the world. Through our partnerships we can bring wider benefits to the environment and society.

The Vestas' vision and mission is our commitment to the planet, our stakeholders and our employees. To us, it gives us purpose and a clear direction to where the company is heading and how customers, shareholders and employees can support that journey towards a 100 percent fossil free planet.

At Vestas, we have a history of challenging the status quo and setting bolder targets to push the limits of our technology to be at the forefront of the renewable energy-transformation. We do it to grasp new business opportunities and to be a dominant player in our sustainable development. This is an ambition that is shared among our employees, shareholders and customers across the globe.

Vestas is determined to continue leading the industry, and to working with partners in government, the private sector and civil society to realise wind power's full potential as an affordable clean energy source and key climate change solution. We look forward to continuing leading the global transformation.

You can read more about our sustainability efforts in our Annual Report and on the vestas.com site.

Group President & CEO
Anders Runevad