

Social and environmental performance

Standards, goals, and priorities

Sustainable products and sustainable operations are integral for Vestas. The standards and goals build on global certificates for the three standards ISO 9001 for quality, ISO 14001 for environment, and OHSAS 18001 for health and safety as well as recognised conventions established by international organisations such as the UN, the International Labour Organization (ILO), and OECD.

The standards and goals are reflected in Vestas' social and environmental priorities:

- The lowest possible incidence of recordable injuries.
- CO₂ impact from wind power must excel against other energy forms.
- The greatest possible recyclability of the wind turbines.

Code of Conduct

An update to Vestas' framework against bribery and corruption was undertaken in the first half of 2015. As part of the update, a bribery risk assessment has been completed and processes have been agreed upon to address the findings. For example, Vestas Code of Conduct is being revised and divided into two versions to improve understanding of requirements, one for employees and one for suppliers and other business partners.

Human rights and labour practices

Vestas recognises its responsibility to respect the Bill of Human Rights. Commitments are outlined in Vestas' Human Right Policy. Through the Social and Environmental Due Diligence process, Vestas initiates actions that either prevent or mitigate adverse human rights and labour impacts.

Employees

Since December 2014, the number of employees in Vestas has increased by 1,987 to 19,585, mainly driven by ramp-up at the factories in the USA. Vestas will continue to scale the organisation according to, among other things, the expected activity level.

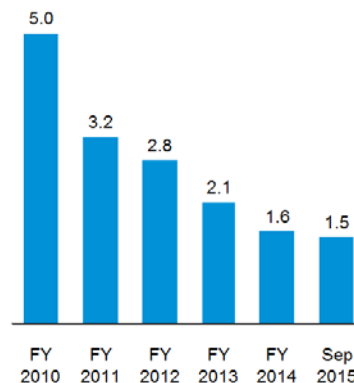
Safety

In the third quarter of 2015, the number of lost time injuries remained at 11 compared to the same quarter last year, while the incidence of lost time injuries has decreased from 1.4 to 1.2 due to the higher number of working hours this year. This brings the year-to-date level down to 1.5, which is below the overall 2014 rate of 1.6.

Compared to full year 2014, the incidence of total recordable injuries, the new safety KPI introduced this year, has decreased from 11.8 to 9.4 in the first nine months of 2015. This rate is below the 2015 target of 10.1 total recordable injuries per million working hours.

Incidence of lost time injuries

Per one million working hours



Environmental performance

Increased production in the third quarter of 2015 was not to the same degree reflected in environmental performance compared to the third quarter of 2014. The consumption of water and energy and the waste and CO₂ emissions increased relatively less than the increased production level due to higher efficiency usage.

Renewable energy

All electricity consumption in Vestas comes from renewable energy sources. Vestas achieves this, partly by purchasing renewable electricity where available, and partly by compensating for the consumption of non-renewable electricity with Vestas-owned wind power plants. In the third quarter of 2015, 63 percent of all energy consumption came from renewable energy sources, which is a decrease from the year-earlier period.

Carbon footprint

Vestas has successfully achieved its ambitious product-related CO₂ emission reduction target of 15 percent from 2011 to 2015. Released by Vestas during the third quarter of 2015, a new life cycle assessment report shows that the environmental impacts of Vestas' turbines have improved. CO₂ emissions of the V112-3.3 MW turbine has been reduced by over 15 percent and improved the return-on-energy by 26 percent compared to the V112-3.0 MW turbine. Return-on-energy is a metric defining the time it takes before the wind turbine has generated as much energy as the suppliers and Vestas together spend on manufacturing, transporting, installing, and dismantling the wind turbine in its 20-year lifetime. A V112-3.3 MW turbine is energy neutral after approx six and a half months of operation. The main reasons for the improvements are environmentally-led initiatives (for example SF₆ gas take-back scheme) and product upgrade initiatives (increased energy production and product optimisation such as reduced amount of steel needed in the tower).

For more information, the life cycle assessment report is available on vestas.com/en/about/sustainability.