

# Social and environmental performance

## Standards, goals, and priorities

As the global wind leader, Vestas wants to reduce the cost of clean energy and accelerate the global shift to sustainable energy solutions.

The United Nations has defined 17 Sustainable Development Goals (SDGs) that aim to tackle poverty, climate change and inequality for people around the world by 2030. Vestas has decided to set the goals as aspirational points of orientation in the day-to-day business, and the SDGs will be guiding principles in the ongoing and coming initiatives to help power a sustainable future. Vestas has chosen to focus initiatives on six key SDGs with Goal 7 (Ensure access to affordable, reliable, sustainable and modern energy for all) as guiding star.

Sustainable products and sustainable operations are integral for Vestas. Standards and goals are reflected in the social and environmental priorities:

- The lowest possible incidence of recordable injuries.
- CO<sub>2</sub> impact from wind power must excel against other energy forms.
- The lowest possible percentage of waste from the wind turbines.
- Avoid or minimise negative impacts on communities where Vestas operates, whilst enhancing Vestas' positive impacts.

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, ILO, and OECD.

## Employees

During the second quarter of 2017, the number of employees increased by 490 to 22,573.

## Safety

In the first half of 2017, the total recordable injury rate has improved significantly compared to half year 2016. The improvement is attributed to a committed leadership and workforce safety focus in manufacturing, including a successful competition between factories in the first half of 2017, heightening safety awareness.

The same development can be seen quarter-on-quarter, where the number of total recordable injuries decreased considerably by 38 percent in the second quarter of 2017 compared to the year-earlier quarter. The incidence of total recordable injuries decreased from 8.2 in the second quarter of 2016 to 5.1 in the second quarter of 2017, below the target of maximum 6.0 for 2017.

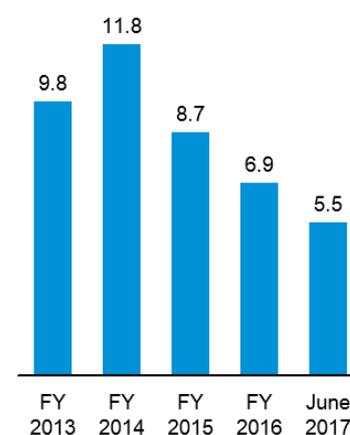
A key behavioural safety training programme has been developed which, when implemented, will support the

development and maturity of the Vestas safety culture. The programme, called My Team My Responsibility (MTMR), compliments existing Vestas safety tools and will eventually cover all Vestas employees, customised to the particular environment and job roles. Vestas' contractors will likewise be introduced to the programme.

MTMR introductory pilots have been successfully conducted in Northern Europe and several factories globally. A full internal MTMR implementation roll-out plan dependent on the safety maturity of the region will be identified by year end. MTMR contractor safety workshops have also been held in both Europe and the USA, with additional workshops planned for later this year.

## Incidence of total recordable injuries

Per one million working hours



## Environmental performance

The energy consumption from Vestas' manufacturing and service activities is at the same level as the same quarter last year. However, the direct CO<sub>2</sub> emissions have increased as service activities increased, resulting in higher fuel consumption. The waste generation has decreased in the first half of 2017 relative to the first half of 2016, and at the same time the share of recycled waste has increased, both are results of improvements in the blade production. Water consumption has increased compared to same quarter last year as production has started at the new blades factory in India.

## Renewable energy

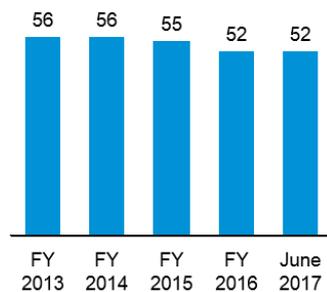
Vestas has achieved 100 percent sustainable renewable electricity consumption, partly by purchasing renewable electricity when available, and partly by compensating for the consumption of non-renewable electricity with Vestas-owned wind power plants.

In the first half of 2017, 51 percent of all energy consumption came from renewable energy sources, which was lower than in the year-earlier period. The decrease in the share of renewable energy for the first half year compared to the same period last year is attributable to increased service activities.

## Renewable energy

Percentage of total energy consumption

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### WindEurope sustainability forum

Vestas has been a driving force in establishing the Sustainability forum in the WindEurope association (previously EWEA) for consolidating best practice in the wind power industry and driving improvements. The forum is open to all members and was established in 2016. As a first outcome, two public papers were published in spring 2017 consolidating insights on “Blade waste” and “Circular economy”\*. By collaborating across company borders, companies can share experiences and best practice and identify innovative ways of designing, planning, building, and maintaining wind power plants, ensuring that, even in the early stages of a project, all aspects of sustainability are considered.

\*The papers are available at <https://windeurope.org/policy/topics/sustainability/>