

At the Høvsøre test centre for wind turbines in Denmark, Vestas is testing the newest technology before it is released for sale. In December 2017, a prototype of the V116-2.1 MW™ turbine was installed here.



Vestas on the **capital markets**

The Vestas share

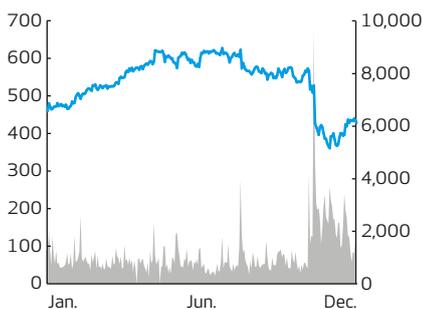
Since April 1998, Vestas has been listed on Nasdaq Copenhagen under securities code DK0010268606 (ticker symbol VWS), and was the second most traded share in 2017 with an average daily turnover of EUR 77.8m at the Copenhagen stock exchange.

Vestas Wind Systems A/S' total share capital amounts to DKK 215,496,947 and has one share class of 215,496,947 shares, which are 100 percent free float.

The share price ended the year at DKK 428.80, equal to a market capitalisation of DKK 92.4bn. During 2017, the price of the Vestas share decreased by 6.6 percent. This was below the general trend in Nasdaq Copenhagen's C20 cap index, which increased by 14 percent in 2017.

Share price performance and turnover

DKK · Number in 1,000



EUR 77.8m

The Vestas share was the second most traded share in 2017 with an average daily turnover of EUR 77.8m at the Nasdaq Copenhagen stock exchange.

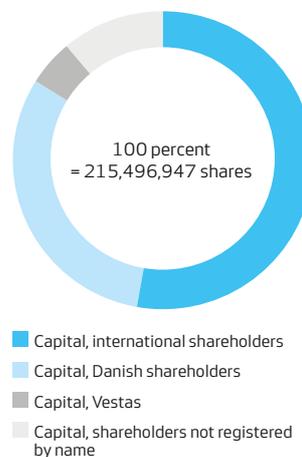
Ownership

At the end of the year, the company had 150,019 shareholders registered by name (191,277,828 shares), including custodian banks – an increase of approx. 3 percent during 2017. In accordance with the Danish Companies Act, Vestas has reported a shareholding that exceeds 5 percent. The notification was disclosed in December 2017.

As at 31 December 2017, Vestas owned 11,843,929 treasury shares (2016: 7,770,888 shares), corresponding to 5.5 percent of the share capital, and represented a market value of DKK 5.1bn.

Share capital distribution as at 31 December 2017

Percent



Ownership

As at 31 December 2017, the international shareholders, Danish shareholders, and Vestas held 113 million (53 percent), 66 million shares (31 percent), and 12 million shares (5 percent) respectively – and capital not registered by name amounted to 24 million shares (11 percent).

Management's ownership

As at 31 December 2017, members of Vestas' Board of Directors held a total of 49,658 Vestas shares (2016: 52,018 shares), and Vestas' Executive Management held 101,992 Vestas shares (2016: 140,569 shares). These shareholdings represented a combined market value of EUR 8.7m.

Furthermore, the members of the Executive Management are exposed to the Vestas share via Vestas' long-term incentive programme. For further information about the remuneration of the Executive Management, see Remuneration report, page 055.

Corporate green bond

On 11 March 2015, Vestas issued a EUR 500m green bond to finance its general corporate purposes, ref. company announcement No. 11/2015 of 4 March 2015. The bond will mature on 11 March 2022 and the coupon of the bond is 2.75 percent. The bond is listed on the Luxembourg Stock Exchange's regulated market – ISIN code XS1197336263.

The green bond benefits from a second party opinion provided by certification institute DNV GL. The bond allows Vestas to diversify and optimise its funding structure.

Financial management

Vestas' management continuously monitors to which extent the company's capital structure, including equity and other financial resources, are reasonable in consideration of the Group's operations and the stakeholders' interests, see Capital structure strategy, page 015.

Authorisations granted to the Board of Directors

According to article 3 of the Articles of association, the Board of Directors of Vestas Wind Systems A/S is authorised to increase the company's share capital in one or more issues of new shares up to a nominal value of DKK 22,407,451 (22,407,451 shares). The authorisation is valid until 1 March 2019.

At the Annual General Meeting in 2017, the shareholders authorised the Board of Directors to let the company acquire treasury shares in the period until 31 December 2018 equal to 10 percent of the share capital at the time of the authorisation, provided that the nominal value of the company's total holding of treasury shares at no time exceeds 10 percent of the company's share capital at the time of the authorisation.

Distribution to shareholders

The Board's general intention is to recommend a dividend of 25-30 percent of the year's net result after tax, which will be paid out following the approval by the annual general meeting. In addition, Vestas may from time to time supplement with share buy-back programmes. However, any distribution of cash to shareholders will always be decided with due consideration of capital structure targets and availability of excess cash. Determining the level of excess cash will always be based on the company's growth plans and liquidity requirements.

Dividend

On 6 April 2017, the shareholders approved a dividend of DKK 9.71 per share to be paid out for the financial year 2016. This was equivalent to a dividend percentage of 30.0 percent measured against the net profit for the year.

For the financial year 2017, the Board of Directors proposes a dividend of DKK 9.23 (EUR 1.24) per share equivalent to 29.9 percent of the net result for the year after tax.

Distribution to shareholders

	2017	2016
Dividend per share (DKK)	9.23*	9.71
Dividend per share (EUR)	1.24*	1.31
Dividend (EURm)**	267*	289
Payout ratio (%)	29.9*	30.0
Share buy-back (EURm)	694	401

* Based on recommended dividend.

** Based on issued shares as at 31 December.

Share buy-back programmes 2017

On 8 February 2017 and on 17 August 2017, the Board of Directors initiated new share buyback programmes. The programmes were implemented in accordance with Article 5 of Regulation No. 596/2014 of the European Parliament and Council of 16 April 2014.

The main purpose of the share buy-back programmes was to adjust Vestas' capital structure and secondly to meet the obligations arising from share-based incentive programmes to employees of Vestas. They were completed on 4 May 2017 and 29 December 2017, respectively. In total, Vestas paid DKK 5.2bn for 10,503,515 shares.

Share capital reduction

On 8 May 2017, the company reduced its share capital by a nominal value of DKK 6.0m. The capital reduction was carried out through the cancellation of 6,047,780 treasury shares in accordance with the resolution passed at the Annual General Meeting on 6 April 2017.

At Vestas' Annual General Meeting in 2018, a resolution will be proposed that 9,800,944 shares out of Vestas' holding of 11,843,929 treasury shares will be cancelled.

Holding of treasury shares

Number	
Treasury shares as at 31 December 2016	7,770,888
Reduction of the share capital	(6,047,780)
Bought under the share buy-back programmes	+10,503,515
Exercised share options and performance shares	(382,694)
Total holding of treasury shares as at 31 December 2017	11,843,929

Incentive schemes

Members of the Executive Management and other specified senior management level positions are eligible for participation in a share-based long-term incentive programme. The purpose of the share-based programme is alignment with shareholders' interests and to promote long-term performance and retention. For further information about the programme, see Remuneration report, page 055.

In May 2017, the Board of Directors authorised the Executive Management to distribute 310,000 restricted performance shares to the Executive Management and other specified senior management level positions in accordance with the general guidelines for incentive pay for employees of Vestas.

Open dialogue with the capital market

Vestas aims to be visible and accessible to existing and potential shareholders and bond holders, the financial community, and other stakeholders with due consideration to legislative requirements and in order to promote transparency.

Vestas attaches great value to maintaining an open dialogue with its stakeholders, therefore the Executive Management and Investor Relations travel extensively to ensure that all investors with a major holding of Vestas shares and the financial community can meet with the company on a regular basis and other shareholders and potential investors also have access to the company's Management and Investor Relations. Furthermore, the Investor Relations team and members of the CSR team have participated in conferences with a focus on sustainability.

Being a listed company, Vestas must make every attempt to give all stakeholders a true and fair view of Vestas. Therefore, relevant information is disclosed in a manner which enables fast access and complete, correct and timely assessment of the information by the public. This has a high priority for the Board of Directors.

Vestas aims to continuously improve the communication with its shareholders to inform about Vestas' goals and to safeguard long-term shareholder interests. However, in order to optimise communication, it is necessary for Vestas to know the identity of its shareholders. Vestas therefore recommends that its shareholders have their Vestas shares registered by name in the company's register of shareholders.

Financial calendar

28 February 2018	Convening for the Annual General Meeting
3 April 2018	Annual General Meeting
4 May 2018	Disclosure of interim financial report first quarter 2018
15 August 2018	Disclosure of interim financial report second quarter 2018
7 November 2018	Disclosure of interim financial report third quarter 2018

Vestas' website

Vestas' corporate website, vestas.com, provides comprehensive information about the Vestas Group and share related information such as company announcements, financial reports, overview of announced orders, share price, earnings call audiocasts, the financial calendar, etc.

Analyst coverage

Vestas is currently covered by 24 sell-side equity analysts. A list of analysts covering Vestas can be found at vestas.com/investor/share.

For the more than 5,500 Vestas service technicians, safety always comes first.



The MHI Vestas Offshore joint venture's V164 nacelle assembly facility is located at the port of Lindø, Denmark.



Corporate governance

Corporate governance refers to the entire system managing and supervising the company. This includes how the company is organised, its governance principles, monitoring mechanisms, and internal and external controls. The purpose of corporate governance is to support value creation and accountable management, and thus to contribute to the long-term success of companies.

Having an open and transparent corporate governance supports a company in being directed and monitored in a responsible manner – and in management focusing on creating value. Furthermore, it provides the market with timely, reliable, accurate, and up-to-date information – which fosters the confidence of investors, the financial markets, customers, business partners, employees, and the public in general.

Management structure

The fundamental elements of Vestas Wind Systems A/S' corporate governance system are its two-tier management structure with a clear, transparent, and effective separation between the Board of Directors and the Executive Management's responsibilities and tasks in connection with the management of the company's affairs and no one serves as a member of both.

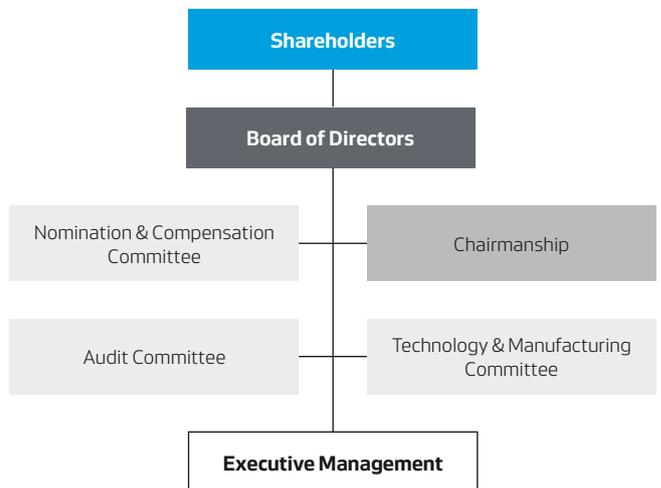
A list of various documents dealing with rules, regulations, and governing principles, that are followed by Vestas are available at vestas.com/en/investor/corporate_governance#governanceprinciples.

Shareholders

Shareholders have ultimate authority over the company and exercise their rights of co-administration and supervision at general meetings, which usually take place within the first four months of the business year.

All shareholders are entitled, in compliance with a few formal requirements, to have access, to submit proposals, attend, vote, and speak at general meetings, ref. articles 4 and 6 of the Articles of association.

Vestas' management structure



Shareholder rights

The right of a shareholder to attend a general meeting and to vote is determined by holding of shares at the record date. The record date is defined as one week before the general meeting. The number of shares held by each shareholder at the record date is calculated on the basis of registration of the shareholder's ownership in the register of shareholders (or notifications about ownership received by the company, but which has not yet been registered in Vestas' register of shareholders).

Shareholders, who wish to attend a general meeting, must notify Vestas of their attendance no later than three days before the general meeting in question.

Vestas has a single class of shares, and no shares carry any special rights. Each share carries one vote. Proposals put to the vote are adopted by a simple majority of votes, unless the Danish Companies Act or the Articles of association prescribe special rules regarding the adoption. Amendments to the Articles of association, dissolution, demerger, and merger, which under Danish law must be passed by the general meeting, can only be passed by a majority of no less than two-thirds of all votes cast and of the voting capital represented at the general meeting unless otherwise prescribed by the Danish Companies Act. For information on the share capital distribution of the Vestas share, see Vestas on the capital markets, page 045.

Audit

Vestas' annual report is audited by an independent external audit firm elected annually by the shareholders at the annual general meeting. Retiring auditors are eligible for re-election.

The auditor is obligated to act in the interest of the shareholders, as well as the public. The Board of Directors and Executive Management grant the auditor access to make any investigations, they find necessary, and ensure that the auditor receives the information and the assistance needed for them to exercise their duties. The Board of Directors maintains a regular dialogue with the auditor, however, it is the responsibility of the Audit Committee to make arrangements for the necessary exchange of information.

The external auditor attends all meetings of the Audit Committee, as well as the meeting of the Board of Directors at which the annual report is adopted. In 2017, the auditor participated in one meeting with the Board of Directors and in seven meetings with the Audit Committee.

The contractual basis and thereby the scope of the auditor's work, including any non-audit related services, is agreed between the company's Board of Directors and the auditor based on a recommendation from the Audit Committee. The Executive Management and the auditor define the specific scope of the auditor's services, and the auditor's fee is agreed with the Board of Directors, see note 6.1 to the Consolidated financial statements, page 110.

For the Independent Auditor's Report and the Independent Auditor's Limited Assurance Report regarding this annual report, see pages 123 and 126.

Appointment of the auditors

PricewaterhouseCoopers has been the auditor of Vestas since 1998.

The last public call to tender was made to all auditors for the audit of the 2009 consolidated financial statement, in line with the EU regulation 537/2014 of 16 April 2014. Based on the results of the tendering process, the Audit Committee recommended to the Board of Directors that it proposed PricewaterhouseCoopers for election in 2010. After completing the tendering process, PricewaterhouseCoopers can therefore be proposed for election at the annual general meeting as Vestas' auditor without further tendering processes up to and including the business year 2023.

In April 2017, the Annual General Meeting re-elected PricewaterhouseCoopers as Vestas' external auditor for the financial year 2017. Kim Füchsel has been the signing partner for the annual reports 2016 and 2017 and Kim Tromholt for the annual reports 2015, 2016, and 2017.

Policy for audit services and non-audit services

One area of particular focus in corporate governance is the independence of the auditor. The Vestas Group's auditor can, within certain limits, be used for certain non-audit services and may be the preferable choice due to business knowledge, confidentiality, and cost considerations.

Vestas has a policy for non-audit services ensuring that the provision of non-audit services to the Group does not impair the auditor's independence or objectivity. The Audit Committee is responsible for the development and maintenance of this policy and monitors compliance.

During 2017, audit and non-audit services provided by the Group auditors globally totalled EUR 6m, of which 56 percent is audit related services – the ratios have been calculated in accordance with guidelines worked out by certain proxy advisors. Excluding significant projects considered one-off in nature, audit related services accounted for 61 percent of audit and non-audit services provided by the Group auditor globally.

Internal audit

Once a year, the Audit Committee assesses the need for an internal audit function. The committee found that it was not necessary to establish an internal audit function in 2017.

Board of Directors

Pursuant to the company's Articles of association, the company is managed by a Board of Directors composed of five to 10 members elected by the general meeting and a number of representatives elected by the employees.

Composition of the Board

The Board of Directors currently consists of 12 members, of which eight are elected by the general meeting and four are elected by and among the employees. For further information about the members of the Board of Directors of Vestas Wind Systems A/S, see pages 054 and 060.

In 2017, the Annual General Meeting re-elected all members of the Board of Directors. After the Annual General Meeting, the Board of Directors held a statutory board meeting. At the meeting, Bert Nordberg was re-elected as Chairman of the Board and Lars Josefsson was re-elected as Deputy Chairman of the Board.

Election of Board members

Board members elected by the general meeting may be recommended for election by the shareholders or by the Board of Directors, serve a one-year term, and may be re-elected.

When proposing candidates for Board membership, the Board of Directors seeks to ensure that it is possible for the general meeting to elect a continuing Board of Directors that:

- is able to act independently of special interests;
- represents a balance between continuity and renewal;
- matches the company's situation;
- is knowledgeable of the industry and has the business and financial competencies necessary to ensure that the Board of Directors can perform its duties in the best way possible; and,
- reflects the competencies and experience required in order to manage a company with shares registered for trade on a stock exchange and fulfils its obligations as a listed company.

When proposing new Board candidates, the Board of Directors pursues the goal of having several nationalities of both genders represented. In addition, the Board of Directors focuses on having a diverse age distribution, see the statutory report on gender distribution, page 051. However, these goals must not compromise the other recruitment criteria.

The Board's responsibility

The Board of Directors is responsible for the overall operation of the Group and, through the independent oversight of management, accountable to shareholders for the performance of the business. They also deal with the overall and strategic management of the company, including:

- appointing the Executive Management;
- laying down guidelines for and exercising control of the work performed by the Executive Management;
- ensuring responsible organisation of the company's business;
- defining the company's business concept and strategy;
- ensuring satisfactory bookkeeping and financial reporting;
- ensuring the necessary procedures for risk management and internal controls; and

- ensuring that an adequate capital contingency programme is in place at all times.

In cooperation with the Executive Management, the Board of Directors establishes and approves overall policies, procedures and controls in key areas, not least in relation to the financial reporting. This requires a well-defined organisational structure, unambiguous reporting lines, authorisation and certification procedures, and adequate segregation of duties.

Board committees

The purpose of Vestas' Board committees is to prepare decisions and recommendations for consideration and approval by the entire Board of Directors. The committees are not authorised to make independent decisions; instead they report and make recommendations to the entire Board of Directors.

Vestas has established three permanent Board committees and all members of the committees are elected by the Board of Directors from among its members. Information about the members of each committee, charters, and an overview of their activities in 2017 are available at vestas.com/investor/corporate_governance.

Duties of the board committees

Audit Committee – supports the Board of Directors 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.

The Nomination & Compensation Committee – supports the Board of Directors in evaluation of the performance and achievement of the Board of Directors and Executive Management and overall staff-related topics, including assessments of remuneration.

The Technology & Manufacturing Committee – assists the Board of Directors in assessing technological matters, IPR strategy, and product development plans. The committee also supports the Board in matters concerning production, monitors and evaluates the short- and long-term manufacturing footprint, evaluates sustainability performance, and gives support to forums such as Vestas' Product Portfolio Council, Product Value Chain Board, and Product Portfolio Board, which also handle prioritisation of and investments in innovation and concept development.

Meeting attendance

	Members	Meetings
Board of Directors Seven of the nine meetings were attended by all members, whereas three members were excused from one meeting each.	12	9
Audit Committee Six of the seven meetings, were attended by all members, whereas one member was excused from one of the meetings.	3	7
The Nomination & Compensation Committee All members attended the four meetings.	4	4
The Technology & Manufacturing Committee All members attended the four meetings.	4	4

Assessment of the work performed by the Board of Directors

Once a year, the Board of Directors evaluates its working methods and the results of its work, the skills of its members, including whether each Board member participates actively in board discussions and contributes with independent judgement.

In October and November 2017, the three Board committees evaluated their performance for 2017. The evaluations were conducted as an open dialogue among the members of the committees and facili-

tated internally by the chairmen. An evaluation form was made available to guide the members of the committees in their preparation and to make sure that all relevant issues were touched upon in connection with the evaluations. The assessment included an evaluation of: the working climate and cooperation, competence, board work, and role of the chairman. The self-assessment revealed a good collaboration in each of the committees and between the committees and the Executive Management.

The same procedure was used when the Board of Directors conducted its evaluation in November 2017. The evaluations did not result in any significant changes.

An evaluation report is prepared for the three committees and the Board of Directors – comprising the result of the assessments. These reports are used by the Nomination & Compensation Committee when they propose nomination of members to the Board of Directors and members of the Board Committees.

Remuneration

The remuneration of the Board of Directors is approved each year at the annual general meeting. For further information, see Remuneration report, page 055.

Executive Management

The Executive Management of Vestas Wind Systems A/S is appointed by the company's Board of Directors and among the members of the Executive Management they have appointed a Chief Executive Officer who is the manager of the day-to-day work of the Executive Management. Their remuneration is determined by the Board of Directors. The remuneration report for the financial year 2017 is available on page 058.

Moreover, the Board of Directors lays down the distribution of competences among the members of the Executive Management. Executive Management meets at least once a month and often more frequently.

In 2017, the Board of Directors has not made any changes to the composition of the Executive Management. For further information about the members of the Executive Management, see pages 054 and 061.

The Executive Management's responsibilities

Executive Management is responsible for the day-to-day management of the company, observing the guidelines and recommendations issued by the Board of Directors. The Executive Management is also responsible for presenting proposals for the company's overall objectives, strategies, and action plans as well as proposals for the overall operating, investment, financing, and liquidity budgets to the Board of Directors. Furthermore, they monitor compliance with relevant legislation and other financial reporting regulations and provisions.

Assessment of the work of the Executive Management

The Nomination & Compensation Committee has the responsibility of conducting an annual evaluation of the contributions and results of the individual members of the Executive Management – and the combined Executive Management; and the co-operation between the Board of Directors and the Executive Management.

The result of the assessment conducted in 2017 revealed good collaboration between the Board of Directors and Executive Management.

Remuneration

For information about the remuneration of the Executive Management, see Remuneration report, page 055.

Corporate governance principles

Corporate governance, defined as "the system used to manage and control a business", is to a wide extent reflected in the provisions concerning the Board of Directors set out in the Danish Companies Act.

What is corporate governance for Vestas?

To the Board of Directors of Vestas Wind Systems A/S, corporate governance is not just a set of rules but a constant process. Consequently,

the Board of Directors continuously addresses the guidelines and processes for the overall management of the Vestas Group. This ensures that the management is at any time able to conduct its managerial tasks professionally and in due consideration of applicable law, practices, and recommendations.

Clear guidelines provide a true and fair view

The evaluation of the guidelines and processes includes a review of the company's business model, strategy, business processes, goals, organisation, capital position, stakeholder relations and risks as well as exercise of the necessary control.

The Board of Directors finds that clear guidelines on how to manage and communicate at Vestas help provide a true and fair view of the Group to the world. A clear and well-considered management and communication strategy is of special importance in light of the challenges Vestas faces in a market characterised by fierce competition, expected consolidation, and ever-increasing quality requirements.

Financial reporting risks

Based on Vestas' financial risk management policy, the Group Finance function prepares a description of the key risks relating to financial reporting and measures taken to control such risks.

Group Finance works actively with anchoring financial risk management throughout the organisation, including ensuring systematic identification and management of all relevant risks relating to financial reporting.

As part of the financial risk assessment, the Board of Directors and Executive Management annually assess the risk of fraud and the measures to be taken to reduce and/or eliminate such risks, including assessing any possibility of the general management overriding controls and affecting the financial reporting. Read more about risk management on page O4.2.

Control activities

Group Financial Compliance is responsible for the implementation, monitoring, and reporting of Vestas' global financial processes and the internal control framework. This helps to ensure a uniform design and structure of the Group's internal controls. The objective of the Group's control activities is to ensure financial compliance with the targets, policies, manuals, procedures, etc. defined by the Executive Management.

Furthermore, the activities must help ensure that any errors, deviations, and shortcomings are prevented, discovered, and rectified.

Vestas continuously adjusts and implements global financial processes and controls for all units and functions aimed at further mitigating the risk of incorrect financial reporting.

Information and communication

Vestas' policies, adopted by the Board of Directors, lay down, among other things, overall requirements on financial reporting and external financial reporting in accordance with current legislation and applicable regulations.

The information systems are designed to identify, collect, and communicate relevant information, reports, etc. on an ongoing basis and on all levels to facilitate an effective, reliable workflow and the performance of controls. This is done in due consideration of the confidentiality required as a listed company.

Statutory report on corporate governance

Pursuant to section 107b of the Danish Financial Statements Act and clause 4.3 of "Rules for Issuers of Shares – Nasdaq Copenhagen", listed companies shall give a statement on how they address the recommendations on corporate governance issued by the Danish Committee on Corporate Governance. The recommendations of the report specify that the circumstances of each company will govern the extent to which the recommendations are complied with or not, as the key issue is to create transparency in corporate governance matters.

Vestas' statutory report, which is part of the annual report, is available at vestas.com/investor/corporate_governance#1statutoryreports. Vestas follows all recommendations of the Danish Corporate Governance recommendations except from three recommendations which Vestas partly complies with.

Danish recommendation regarding corporate governance

Number

	2017	2016
Complies with the recommendation	44	43
Partly complies with the recommendation	3	4
Does not comply with the recommendation	0	0
Number of recommendations	47	47

Statutory report on gender distribution

As required in section 99b of the Danish Financial Statements Act, Vestas has a policy to offer all employees equal opportunities and aims for a more equal distribution of gender among employees in leadership positions. But, Vestas does not compromise on qualifications and will continue to employ the most qualified candidate regardless of gender, political, religious, or personal orientation.

Vestas has a global organisation and the employee base is becoming more and more diverse. The management believes that having employees with many different skills, backgrounds, and experiences benefits the Group and equips Vestas to more effectively address the global challenges ahead.

In general, men are over-represented in Vestas. This is not unusual in the industry, which traditionally has more job roles attracting men than women. These are primarily technical and manufacturing roles such as engineers, technicians, and industrial workers.

Follow-up and reporting

In January, Executive Management receives a report which describes the development of the share of women and men at the various management levels. If the share of either women or men at management level is below 40 percent, Executive Management evaluates the need for further actions.

Once a year, the Nomination and Compensation Committee discusses the status of diversity and the strategy for the diversity area in Vestas for the coming year – and the Board of Directors discusses the overall principles regarding diversity.

In the annual report, Vestas will report on the progress against the target setting in accordance with ref. section 99b of the Financial Statements Act.

The Board of Directors of Vestas Wind Systems A/S

The Board of Directors believes that its members should be chosen for their overall competences, yet it also recognises the benefits of a diverse board in respect of culture, gender, and other factors.

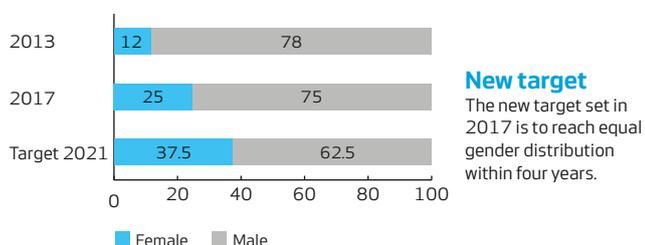
The Board of Directors pursues the goal of having members representing multiple nationalities as well as both genders. In addition, the Board of Directors focuses on having a diverse age distribution. However, these goals must not compromise the other recruitment criteria.

In compliance with legislation, Vestas has set a target for the under-represented gender in the Board of Directors. The target has been reached, as the number of the under-represented gender has increased in the period from one to two. Further information about the composition of the Board of Directors is available at vestas.com/investor/corporate_governance.

Vestas will continue working on expanding the under-represented gender in the Board of Directors and has adjusted the target that is expected to be reached no later than end 2021. The target is to reach equal gender distribution¹⁾ among the members of the Board of Directors of Vestas Wind Systems A/S elected by the general meeting within four years.

Development in gender distribution in the Board of Directors of Vestas Wind Systems A/S

Percent



The Board of Directors of Vestas' subsidiaries

Among the Group's Danish subsidiaries, five companies are subject to the reporting requirement for the under-represented gender according to section 99b in the Danish Financial Statements Act.

The directors in the boards of the subsidiaries are appointed based on key positions in Vestas Wind Systems A/S, and the current constitution of the boards is therefore reflecting who is currently holding these positions within Vestas Wind Systems A/S.

In 2013, the five subsidiaries set a target to reach equal gender distribution no later than 31 December 2017. During the period, all five subsidiaries have reached the target – which means that all five subsidiaries have an equal gender distribution in their boards among the members elected by the general meeting. Therefore, a new target will not be set.

Vestas' policy on gender distribution The purpose of Vestas' gender distribution policy is to describe and support the on-going work at Vestas on increasing the number of the under-represented gender in management positions in Vestas and by that enhance a more equal distribution of the number of men and women.

In that respect, Vestas' strategic objectives also comprise that Vestas obtains a more equal distribution of men and women in management, and that the composition of managers reflects the distribution of women and men in the labour market in the longer run, however, always considering competencies when deciding who are the best qualified persons for the job.

Processes

Each year a People Review process is carried out, where the majority of employees are being evaluated. In this process the employee's manager, the manager of the latter and colleagues and a representative from People & Culture participate. Based on the results, a profile description is worked out including a description of management capabilities and potential of the employee and the potential for promoting the employee. Based on the People Review evaluations, Vestas obtains a tool to support that recruitment of managers internally and promotions are carried out in consideration of Vestas' objectives to ensure everyone equal career opportunities.

Naturally, the distribution of men and women in management positions is considered in that connection. In continuation hereof, Vestas will not accept any kind of differential treatment and is therefore obliged to let qualifications be the only deciding factor in all aspects of employment, including recruitment, development, and promotion.

Activities in 2017

In November 2017, the Nomination & Compensation Committee discussed the status of diversity and the strategy for the diversity area in Vestas for the coming year – and in November 2017, the Board of Directors discussed the overall principles regarding diversity.

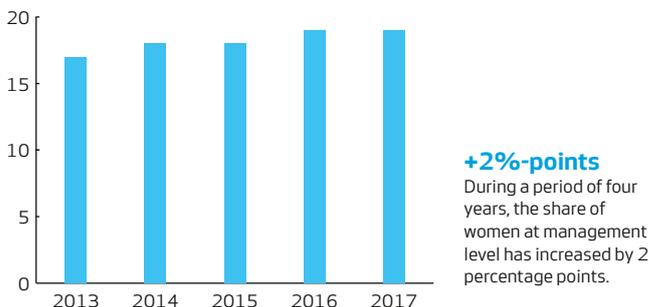
Vestas is working with several activities to ensure relevant diversity at management levels, such as:

- Assuring that both genders are represented in the search process – and in the last process of the selection of the new employee.
- Improve the terms for maternity and paternity to become more attractive to young professionals in Denmark.
- Exposing the engineering opportunities to women, including specific events for female engineering candidates.
- Hosted events for female engineering students at Vestas' technology centre.
- Participated in events aimed at female business students.

Vestas' initiatives related to gender focus on building a pipeline of female talents both outside and inside Vestas through the internal talent and development programmes, such as situational leadership training and leadership transition programmes. These programmes are offered to all leaders in Vestas, giving all equal opportunity.

Women at management level

Percent



In 2017, the share of women at management level within Vestas was 19 percent, which means that from the implementation of the policy regarding gender distribution and until 2017 the share of women both in the Board of Directors and at management level has increased by 13 percentage points and 2 percentage points, respectively.

1) According to the Danish Business Authorities' definition, see Danish Business Authorities: Guidelines on target figures, policies and reporting on gender composition of management. March 2016.

Since 1979, Vestas' product portfolio has developed from a V10-30 kW turbine with a swept area of 78.5 m² to a V150-4.2 MW™ turbine with a swept area of 17,671 m².



Annual General Meeting 2018

The Annual General Meeting of Vestas Wind Systems A/S will be held on 3 April 2018 at 1:00 pm (CET) at the Concert Hall in Aarhus, Denmark.

Time schedule for the Annual General Meeting 2018

19 February 2018	Deadline for requesting a specific matter to be included on the agenda
28 February 2018	Convening notice
27 March 2018	Record date
28 March 2018	Deadline for notifying Vestas about attendance
28 March 2018	Deadline for voting by proxy
2 April 2018	Deadline for voting by correspondence
3 April 2018	Annual General Meeting 2018

Dividend

For the financial year 2017, the Board of Directors proposes a dividend of DKK 9.23 (EUR 1.24) per share be paid for 2017. This is equivalent to a dividend payout ratio of 29.9 percent measured against the net profit for the year.

Appointment of auditors

The Board of Directors will propose that PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab is re-appointed as the company's auditor.

Proposals from the Board of Directors

The Board of Directors expects to propose that:

- the share capital be reduced by 9,800,944 number of treasury shares. The proposal can only be adopted by a majority of not less than two thirds of all votes cast and of the share capital represented. The shares were acquired as part of the company's share buy-back programmes as disclosed in company announcements No. 04/2017 of 8 February 2017 – and No. 30/2017 of 17 August 2017.
- the existing authorisations in article 3 of the Articles of association which expire on 1 March 2019 will be renewed in order to authorise an issue equivalent to 10 percent of the share capital and for a period of five years. The proposal can only be adopted by a majority of not less than two thirds of all votes cast and of the share capital represented.
- the Board of Directors is granted an authorisation to allow the company, in the period until 31 December 2019, to acquire treasury shares up to an aggregate nominal value of 10 percent of the company's share capital at the time of the authorisation, provided that the company's total holding of treasury shares does not at any time exceed 10 percent of the company's share capital. The proposal can be adopted by a simple majority of votes.

Members of the Board of Directors

	Born	Independent	Date of election	Expiry of election period	Share trading in 2017	Number of shares end 2017 ¹⁾
Mr Bert Nordberg	23/03/1956	Yes	March 2012 and re-elected for subsequent terms, most recently in 2017	2018	-5,000 -7,000 +8,000 +2,300 +2,300	14,600
Mr Lars Josefsson	31/05/1953	Yes	March 2012 and re-elected for subsequent terms, most recently in 2017	2018	+1,000	3,500
Mr Carsten Bjerg	12/11/1959	Yes	March 2011 and re-elected for subsequent terms, most recently in 2017	2018	0	4,019
Ms Eija Pitkänen	23/04/1961	Yes	March 2012 and re-elected for subsequent terms, most recently in 2017	2018	0	1,250
Mr Henrik Andersen	31/12/1967	Yes	March 2013 and re-elected for subsequent terms, most recently in 2017	2018	+2,000 +2,250 +1,000 +225 +225	12,700
Mr Henry Sténson	10/06/1955	Yes	March 2013 and re-elected for subsequent terms, most recently in 2017	2018	0	5,000
Mr Kim Hvid Thomsen	08/08/1963	-	May 1996 and re-elected for subsequent terms, most recently for 2016	2020	-100 -2,000	3,710
Ms Lykke Friis	27/10/1969	Yes	March 2014 and re-elected for subsequent terms, most recently for 2017	2018	0	2,245
Mr Michael Abildgaard Lisbjerg	17/09/1974	-	April 2008 and re-elected for subsequent terms, most recently for 2016	2020	0	834
Mr Peter Lindholst	25/02/1971	-	March 2016	2020	0	500
Ms Sussie Dvinge Agerbo	05/10/1970	-	November 2005 and re-elected for subsequent terms, most recently for 2016	2020	-2,500	800
Mr Torben Ballegaard	07/02/1951	Yes	March 2015 and re-elected in 2017	2018	-2,500 -2,500	500

Members of the Executive Management

	Born	Position	Date of appointment	Share trading in 2017	Number of shares end 2017 ¹⁾
Mr Anders Runevad	16/03/1960	Group President & CEO	September 2013	+26,299 ²⁾ -14,728 220 ³⁾ -10,000 -5,000	8,313
Mr Anders Vedel	06/03/1957	Executive Vice President & CTO	February 2012	+12,906 ²⁾ +305 ³⁾ -3,500	26,782
Mr Jean-Marc Lechêne	29/10/1958	Executive Vice President & COO	July 2012	+12,906 ²⁾ -3,500 +0 ³⁾ -7,500 -7,500 -22,232 +22,232	22,382
Mr Juan Araluze	17/01/1963	Executive Vice President & CSO	February 2012	+12,906 ²⁾ +843 ³⁾ -5,000 -5,691 -31,250	38,768
Ms Marika Fredriksson	04/11/1963	Executive Vice President & CFO	May 2013	+12,906 ²⁾ -7,228 +69 ³⁾ -18,264	5,747

1) The mentioned number of shares includes both own and related parties' total shareholdings.

2) Granted performance shares in 2017 (DKK 0 per share).

3) Stated as a whole number.

Remuneration report

Any management which defines an ambitious strategy – and sets short- and long-term targets – needs a dedicated management team with the right competences and visions to succeed.

In order to attract and retain a talented management it is important that an attractive compensation is granted while safeguarding the company's interests through long-term targets, which is in the interest of the shareholders.

With Vestas' strategy – Profitable Growth for Vestas, the Board of Directors has clearly shown in which direction it wants to take the company – and it is up to the Executive Management to execute on the strategy.

During the last four years, Vestas' Executive Management has managed to guide more than 23,000 employees through the turnaround and has executed on the Profitable Growth strategy, which the figures for the period shows.

It has been a challenge – and will also be a challenge in the future – but with the right composition of the Board of Directors, the right members of the Executive Management, and a committed group of employees, Vestas will perform for the benefit of the shareholders but also for the benefit of the environment.

The shareholders have approved overall guidelines for how the Board of Directors and the Executive Management of Vestas Wind Systems A/S should be compensated for their management of the Group. The guidelines are laid down in Vestas' remuneration policy and the general guidelines for incentive pay, which most recently was approved by the shareholders at the Annual General Meeting in 2016.

The remuneration policy and the general guidelines for incentive pay are available at vestas.com/en/investor/corporate-governance#!corporate-documents.

Remuneration policy

The remuneration policy for members of the Board of Directors and the Executive Management¹⁾ of Vestas Wind Systems A/S reflects the interests of the shareholders and the company, taking into consideration the assignments and the responsibility undertaken by such members. The remuneration policy promotes performance and aims at attracting and retaining talented executives while safeguarding the company's interests through long-term targets.

General guidelines for incentive pay

Pursuant to section 139 of the Danish Companies Act, the Board of Directors is required to establish general guidelines for incentive pay before entering into incentive pay agreements with members of the company's Board of Directors and Executive Management.

The objective of the guidelines is to lay down the framework for the variable portion of the salary considering the company's short and long-term targets, and to ensure that the pay system does not lead to imprudence, unreasonable behaviour, or risk acceptance.

Remuneration of the Board of Directors

Efforts are made to ensure that the remuneration of the Board of Directors matches the level in comparable companies, whilst also taking into consideration Board members' required competencies, efforts and the scope of the Board work, including the number of meetings. Board members elected by the employees receive the same remuneration as the Board members elected by the general meeting. On any takeover event, retiring Board members will not receive any compensation for their lost board remuneration and similar benefits.

1) Executive Management includes all the executives registered as executives with the Danish Business Authority.

2) Source: MAKE Consulting: Historical Wind Turbine OEM Market Share. March 2017.

+64%

Revenue is one of the four elements in Vestas' guidance for the year. From 2013 to 2017 revenue increased from EUR 6bn to EUR 10bn – equal to 64 percent. In the same period, Vestas' market share increased by 2 percentage-points.²⁾

+11%-points

Another guidance element is operating profit (EBIT). Since 2013, EBIT has increased from EUR 211m to EUR 1,230m – an EBIT margin increase of 11 percentage-points.

Return to shareholders

Since 2013, Vestas has completed four share buy-back programmes – bought back 19,081,091 Vestas shares (DKK 9.2bn) – and cancelled 8,577,566 Vestas shares – and has paid out EUR 599m in dividend. Furthermore, at the Annual General Meeting 2018, the Board of Directors will propose cancellation of 9.8 million Vestas shares and a dividend payout of DKK 9.23 (EUR 1.24) per share.

+21%

Vestas is generating significantly more cash flow from the underlying business. In 2013, Vestas reported a free cash flow of EUR 1,009m compared to EUR 1,218m in 2017 – an increase of 21 percent.

The remuneration of the Board members for the past year and the level for the current year is approved by the shareholders at the annual general meeting as two separate items.

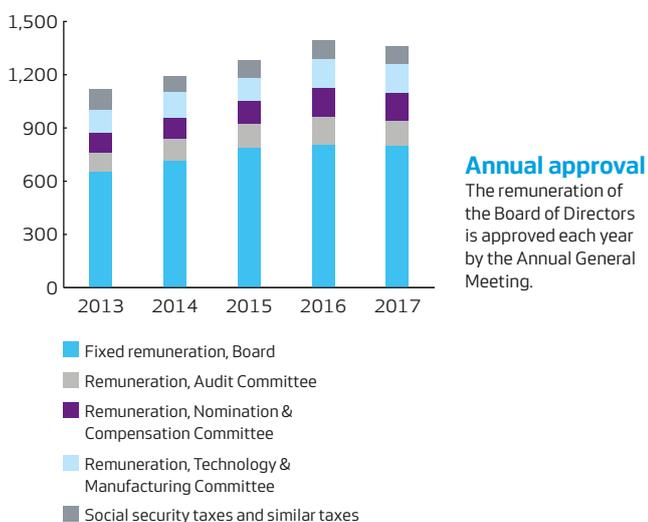
The remuneration of the Board of Directors consists of five elements: fixed remuneration, committee remuneration, remuneration of ad hoc tasks, social security taxes and similar taxes, and reimbursement of expenses.

The Board of Directors is not included in incentive programmes or covered by any Vestas pension scheme or a defined benefit pension scheme.

Each element of the remuneration of the Board of Directors and detailed information about the remuneration in 2017 is described in the Remuneration report 2017, see page 057.

Remuneration of the Board of Directors

tEUR



Remuneration of the Executive Management

The Board of Directors believes that a combination of fixed and performance-based pay to the Executive Management helps ensure that the company can attract and retain key employees. The Executive Management is paid partly through variable performance-based elements to motivate performance, align with short and long-term business targets, and to enable flexible remuneration costs.

All members of the Executive Management are employed under executive service contracts, and the Board of Directors sets the terms within the frames of the contracts.

The Nomination & Compensation Committee submits proposals concerning the remuneration of the Executive Management and ensures that the remuneration is in line with the conditions in comparable companies. The proposals are submitted for approval at a Board meeting.

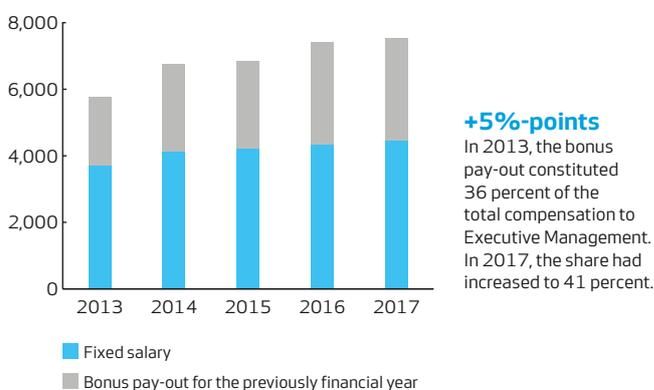
The remuneration of the Executive Management consists of four elements: fixed salary, cash bonus, share-based incentives, and personal benefits.

The Executive Management is not covered by Vestas' employer administered pension plan or a defined benefit pension scheme, nor do members of Executive Management receive remuneration for ad hoc tasks or receive any remuneration for directorships held in Vestas Wind Systems A/S' subsidiaries or its joint ventures.

Each element of the remuneration of the Executive Management and detailed information about the remuneration in 2017 is found in the Remuneration report 2017, see page 058.

Remuneration of the Executive Management

tEUR



Besides the fixed salary and bonus pay-outs, the members of Executive Management have also been entitled to participation in the restricted performance share programmes for the years 2013-2017. They have been entitled to a target level of shares which has subsequently been performance adjusted, following the terms and conditions of the programmes. The total target number of shares for Executive Management was 108,336, 120,000, 120,000, 86,000, and 86,000 in the years 2013, 2014, 2015, 2016, and 2017, respectively. All the performance shares follow the same principles for vesting and are granted to the Executive Management with 50 percent after three years and 50 percent after five years.

Remuneration report 2017

Board of Directors

This report describes the remuneration of the Board of Directors in 2017.

The level of the remuneration in 2017 remain unchanged – EUR 1.26m – as pre-approved by the shareholders at the Annual General Meeting in 2017 – and will be presented for final approval at the Annual General Meeting in 2018.

According to Vestas' remuneration policy, the remuneration of Vestas Wind Systems A/S' Board of Directors comprises the following five elements.²⁾

Fixed remuneration

Members of the Board of Directors receive a fixed cash payment (basic remuneration). The chairman receives triple basic remuneration and the deputy chairman receives double basic remuneration for their extended board duties.

Committee remuneration

In addition to the basic remuneration, annual committee remuneration is paid to Board members who are also members of one of the Board Committees. The remuneration is determined as a base fee, and the committee chairman receives an additional remuneration of 80 per cent of the committee remuneration.

Remuneration for ad hoc tasks

Individual Board members may take on specific ad hoc tasks outside their normal duties assigned by the Board of Directors. In each such case, the Board of Directors shall determine a fixed remuneration for the work carried out in relation to those tasks. The fixed remuneration will be presented for approval at the following Annual General Meeting.

Social security taxes and similar taxes

In addition to the remuneration, the company may pay social security taxes and similar taxes imposed by non-Danish authorities in relation to the remuneration.

Reimbursement of expenses

Actual expenses defrayed in connection with board and committee meetings are reimbursed.

Remuneration for the financial year

	2017			2016		
	Basic remuneration (EUR)	Number of members	EUR	Basic remuneration (EUR)	Number of members	EUR
Fixed remuneration	53,773	12	806,596	53,619	12	804,282
Committee remuneration						
- Audit Committee	33,608	3	127,711	33,512	4	160,858
- Nomination & Compensation Committee	33,608	4	161,319	33,512	4	160,858
- Technology & Manufacturing Committee	33,608	4	161,319	33,512	4	160,858
Remuneration to be approved at the annual general meeting			1,256,945			1,286,856
Remuneration for ad hoc tasks			-			-
Social security taxes and similar taxes			99,259			106,263
Reimbursement of expenses			3,468			22,069
Total			1,359,672			1,415,188

2) According to the remuneration policy the members of the Board of Directors are not included in incentive programmes (share programmes, bonus pay, or similar plans) and is not covered by any Vestas pension scheme or a defined benefit pension scheme.

Remuneration report 2017

Executive Management

The Board of Directors believes that a combination of fixed and performance-based pay to the Executive Management helps ensure that the company can attract and retain key employees.

In 2017, the Executive Management has received a fixed salary of EUR 4.5m and EUR 3.1m in cash bonus for the financial year 2016, and 77,923 Vestas shares according to the share-based incentive programme 2014.

According to Vestas' remuneration policy, the remuneration of Vestas Wind Systems A/S' Executive Management comprises the following four elements.

Fixed salary

The fixed salary is based on market level and is continuously reviewed by the Nomination & Compensation Committee against comparable positions.

Cash bonus

Members of the Executive Management participate in a bonus scheme based on the results for the year. The bonus is paid out annually after adoption of the annual report for the relevant financial year; ref. the general guidelines for incentive pay.

The bonus pay-out-level is defined by a weighted target achievement and is capped at a certain percentage of the fixed salary with the target and maximum pay-out levels set at 50 percent and 75 percent of the annual base salary, respectively.

The bonus scheme is based on target achievement on a number of parameters, including financial key performance indicators (KPIs) like EBIT, as well as any other targets approved by the Board of Directors. No pay-out will be made if the target for EBIT is not met at the defined minimum acceptable performance level.

Share-based incentives

The focus of the share-based programme is to retain and create long-term shareholder value.

The intention of the grants is to ensure value creation and fulfilment of the company's long-term goals, and the scheme contains elements of both short and long-term performance. The scheme is based on restricted performance shares. The programme is disclosed following the annual general meeting and will be conditional upon continued employment at the time of grant.

For any single financial year, the Executive Management may be granted restricted performance shares based on achievement of certain targets approved by the Board of Directors. The targets may be based on financial KPIs as well as the Group's market share as defined by the Board of Directors.

Share-based incentive programme 2017

In May 2017, the Board of Directors announced that it had decided to continue the share-based incentive programme for all participants, including the Executive Management, and launch a new programme for 2017 based on the terms and conditions governing the restricted performance share programme for the year 2016, ref. Vestas' remuneration policy and general guidelines for incentive pay.

Number of shares

The number of shares to be granted is based on a defined target level for each position. No payments for any grants are made by the participants. If all KPIs are reached on target level, a total of 310,000 shares will be granted from the programme with a total present value calculated based on the current share price amounting to EUR 24.5m (value at close of Nasdaq Copenhagen on 2 May, 2017). For 2017, the target number of shares for the Executive Management will be 86,000 shares in total.

The actual number of restricted performance shares available for distribution may range between 0 and 150 percent of the target level and is determined by Vestas' performance in the financial years 2017, 2018, and 2019. The maximum grant of shares under the programme in total is 465,000 shares based on full performance achievement.

Time of grant

The shares are to be granted in 2020 and 2022.

Share-based incentive programmes for the Executive Management

Total outstanding shares per year for vesting (performance adjusted until year 2017)

	2018	2019	2020	2021	2022
Share-based incentive programme 2013	84,374				
Share-based incentive programme 2014		79,124			
Share-based incentive programme 2015	79,080		79,080		
Share-based incentive programme 2016		50,829		50,829	
Share-based incentive programme 2017			43,000		43,000

Key performance indicators

The KPIs for all three performance years are based on financial targets including Earnings per share, Return on Capital Employed, the market share of the Vestas Group, as well as commercial targets for relevant participants. All KPIs and targets are defined by the Board of Directors.

Conditions

The restricted performance shares are governed by the specific terms and conditions of the programme and subject to mandatory law. If a participant chooses to leave Vestas before the time of grant, the participant's rights to receive shares will generally lapse.

Adjustments to the programme

The number of shares available for grant and the calculation of the KPIs may be adjusted in the event of certain changes in Vestas' capital structure. In addition, calculation of the KPIs may be adjusted for certain non-operational events. Further, in the event of a change of control, merger, winding-up or demerger of Vestas, an accelerated grant may extraordinarily take place. In the event of certain transfers of activities or changes in ownership interests within the Vestas Group, adjustment, replacement of the programme and/or settlement in cash of the programme entirely or partly may also take place.

Personal benefits

Members of the Executive Management have access to a number of work-related benefits, including company car, free telephony, broadband at home, and work-related newspapers and magazines.

Remuneration of the Executive Management

EUR

	2017	2016
Fixed salary	4,466,736	4,338,163
Cash bonus for the previous year	3,085,366	3,082,664

Vestas' headquarter and main research and development centre is located in Aarhus, Denmark. The company is listed on the Nasdaq Copenhagen stock exchange and has by the end of 2017 147,912 Danish shareholders registered by name.



Fiduciary positions

The members of the Board of Directors and the Executive Management have informed the company of the following competencies and fiduciary positions in Danish and foreign listed and non-listed companies, and organisations.

Name and title	Position in Vestas	Fiduciary positions	Positions of trust	Special competencies
Bert Nordberg Director	<ul style="list-style-type: none"> Chairman of the Board of Directors Chairman of the Nomination & Compensation Committee 	Member of the boards of AB Electrolux ¹⁾ (SE), Essity AB ¹⁾ (SE), Saab Group AB ¹⁾ (SE), and Svenska Cellulosa Aktiebolaget SCA ¹⁾ (SE).		Special competence in restructuring, services and infrastructure business; several years of international business experience; development market knowledge.
Lars Josefsson Independent consultant	<ul style="list-style-type: none"> Deputy Chairman of the Board of Directors Chairman of the Technology & Manufacturing Committee Member of the Nomination & Compensation Committee 	<p>Chairman of the boards of Driconeq AB (SE), Ouman Oy (FI), and TimeZynk AB (SE).</p> <p>Member of the board of Holmen AB¹⁾ (SE) and Metso Oyj¹⁾ (FI).</p>		In-depth knowledge of managing international companies including research and development, technology and production.
Carsten Bjerg Director	<ul style="list-style-type: none"> Member of the Board of Directors Member of the Technology & Manufacturing Committee Member of the Audit Committee 	<p>Chairman of the boards of Bogballe A/S (DK), Ellegaard A/S (DK), Guldager A/S (DK), and PCH Engineering A/S (DK).</p> <p>Deputy chairman of the boards of Højgaard Holding A/S¹⁾ (DK) and Rockwool International A/S¹⁾ (DK).</p> <p>Member of the boards of Agrometer A/S (DK) and MT Højgaard A/S (DK).</p>		In-depth knowledge of managing an international group including thorough knowledge of R&D, manufacturing, and strategic management.
Eija Pitkänen Sustainability, Ethics & Compliance Officer, Risk Officer, Telia	<ul style="list-style-type: none"> Member of the Board of Directors Member of the Technology & Manufacturing Committee 	Member of the board of Finnish Refugee Council (FI).		Extensive international experience in developing and executing global sustainability strategies as part of business in several international companies.
Henrik Andersen Group President & CEO of Hempel A/S	<ul style="list-style-type: none"> Member of the Board of Directors Chairman of the Audit Committee²⁾ Member of the Nomination & Compensation Committee 	Member of the board of Maj Invest Holding A/S (DK).	Member of the investment committee Maj Invest Equity 4 K/S (DK).	In-depth knowledge of accounting, finance and capital markets, international business experience including restructuring and strategic management of international companies.
Henry Sténson Executive Vice President of Group Communication & Sustainability Affairs, Volvo Group ¹⁾	<ul style="list-style-type: none"> Member of the Board of Directors 	<p>Member of the advisory board of Braathens Regional Aviation (SE).</p> <p>Member of the board of Triboron International AB (SE).</p>		More than 20 years' experience from executive teams in global business and extensive experience from communications with media, capital markets and international public affairs. Furthermore, experience from industrial turnaround processes and crisis management.
Kim Hvid Thomsen HR Business Partner, People & Culture, Vestas Wind Systems A/S ¹⁾	<ul style="list-style-type: none"> Member of the Board of Directors (elected by Group employees) Member of the Technology & Manufacturing Committee 			In-depth knowledge of production processes and human resources, etc. of the Vestas Group.
Lykke Friis Prorector for Education, University of Copenhagen	<ul style="list-style-type: none"> Member of the Board of Directors Member of the Nomination & Compensation Committee 	Member of the boards of European Council of Foreign Relations (UK), Rockwool Foundation, and VELUX A/S (DK).	<p>Chairman of the Danish Foreign Policy Society (DK).</p> <p>President of the Danish Cancer Society (DK).</p> <p>Member of the Danish-German Chamber of Commerce (DK).</p>	In-depth knowledge of international energy policy and European Union regulation. Furthermore, experience from public affairs and managing research and development.

1) Company listed at a stock exchange.

2) Fulfills the demand for qualifications within financial accounting and meets the definition of independence of audit committee members as set out in the Danish Auditors Act.

Name and title	Position in Vestas	Fiduciary positions	Positions of trust	Special competencies
Michael Abildgaard Lisbjerg Senior Shop Steward and Skilled Worker, Production, Vestas Manufacturing A/S	· Member of the Board of Directors (elected by Group employees)	Deputy chairman of the boards of DM Skjern-Ringkøbing P/S (DK) and DMSR af 24. oktober 2016 ApS (DK).		In-depth knowledge of production processes and human resources, etc. of the Vestas Group.
Peter Lindholst Vice President, Concept Development, Power Solutions, Vestas Wind Systems A/S ¹⁾	· Member of the Board of Directors (elected by company employees)			In-depth knowledge of wind turbine design and innovation, and experience from Vestas in managing R&D activities in an international set-up.
Sussie Dvinge Agerbo Management Assistant, Power Solutions, Vestas Wind Systems A/S ¹⁾	· Member of the Board of Directors (elected by company employees)			In-depth knowledge of project management and organizational structures including human resources and staff development.
Torben Ballegaard Director	· Member of the Board of Directors · Member of the Audit Committee	Chairman of the boards of AS3 A/S (DK), Liquid Vanity ApS (DK), PulmoPharma ApS (DK), and SofaCompany A/S (DK). Deputy chairman of the board of Egmont International Holding A/S including its subsidiaries (DK).	Chairman of the Foundation Capnova Invest Zealand (DK) and the Musikteatret-Holstebro Foundation (DK). Deputy chairman of the Egmont Foundation (DK). Member of the board of Centre for Advanced Technology Foundation (DK).	Experience from growth and continuous improvement of global and complex industrial organizations. Leadership development. Product and business innovation and strategic execution. International sales and marketing. Value adding board work, financial controlling, and interaction with capital markets.
Name and title	Position in Vestas	Fiduciary positions	Positions of trust	
Anders Runevad	· Group President & CEO	Deputy chairman of the board of MHI Vestas Offshore Wind A/S (DK). ²⁾ Member of the board of Nilfisk Holding A/S (DK).		Member of The General Council of the Confederation of Danish Industries (DK) and The Industrial Policy Committee of the Confederation of Danish Industries (DK).
Anders Vedel	· Executive Vice President & CTO	Member of the boards of Hvide Sande Harbour (DK) and MHI Vestas Offshore Wind A/S (DK).		
Jean-Marc Lechêne	· Executive Vice President & COO	Member of the board of Norican A/S (DK).		
Juan Araluze	· Executive Vice President & CSO	Member of the board of MHI Vestas Offshore Wind A/S (DK).		
Marika Fredriksson	· Executive Vice President & CFO	Member of the boards of Sandvik AB ¹⁾ (SE) and SSAB ¹⁾ (SE).		Chairman of the audit committee of SSAB ¹⁾ (SE).

1) Company listed at a stock exchange.

2) On 1 April 2018, Mr Anders Runevad will take up the fiduciary position as chairman of the board of MHI Vestas Offshore Wind A/S.