

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.