



VESTAS WIND SYSTEMS AS

MEETING DATE	Wed, 30 Mar 2016 13:00 pm	TYPE	AGM	ISSUE DATE	Mon, 21 Mar 2016
MEETING LOCATION	Concert Hall Aarhus (Musikhuset Aarhus), Thomas Jensens Allé, 8000 Aarhus C, Denmark				
CURRENT INDICES	FTSE EuroFirst				
SECTOR	Steam, gas, and hydraulic turbines, and turbine generator set units				

PROPOSALS		ADVICE
1	Receive Board of Directors report. Non-Voting agenda item.	Non-Voting
2	Receive the Annual Report Disclosure is acceptable and the report was made available sufficiently before the meeting. The financial statements have been audited and certified. The auditors have not qualified their opinion. No serious governance concerns have been identified. Triodos support this resolution.	For
3	Approve the Dividend The Board proposes a dividend of DKK 6.82 per share. The dividend is covered by earnings. Acceptable proposal.	For
4.A	Re-elect Bert Nordberg Non-Executive Chairman. Independent upon appointment. However, there are concerns over his aggregate time commitments. Triodos abstain on this resolution.	Abstain
4.B	Re-elect Carsten Bjerg Independent Non-Executive Director. There are concerns over his aggregate time commitments. Triodos abstain on this resolution.	Abstain
4.C	Re-elect Eija Pitkanen Independent Non-Executive Director.	For
4.D	Re-elect Henrik Andersen Independent Non-Executive Director.	For
4.E	Re-elect Henry Stenson Independent Non-Executive Director.	For
4.F	Re-elect Lars Josefsson Independent Non-Executive Vice-Chairman. There are concerns over his excessive time commitments. Triodos abstain on this resolution.	Abstain
4.G	Re-elect Lykke Friis Independent Non-Executive Director.	For
4.H	Re-elect Torben Ballegaard Sorensen Independent Non-Executive Director. There are concerns over his aggregate time commitments. Triodos abstain on this resolution.	Abstain
5.1	Approval of remuneration for directors for 2015 Proposal to approve the actual remuneration for the Board for the year under review. The proposed amount DKK 8,857,810 (EUR 1,187,175) corresponds to the amount approved at the previous AGM. Acceptable proposal. Triodos support this resolution.	For
5.2	Approval of remuneration for directors for 2016 The Board is seeking approval for Board and committee membership fees for Non-Executive Directors. The actual remuneration will be approved at the next year's AGM. An increase of 1.5% has been proposed. However, an increase of 26.9% and 14.2% has been proposed for committee membership and chairmanship, respectively, and the Board has not disclosed an explanation to the proposed increase. On this basis, Triodos oppose this resolution.	Oppose

6	Appoint the Auditors PWC proposed. Non-audit fees represented 150.00% of audit fees during the year under review and 150.00% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. The current auditor has been in place for more than five years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. As opposition is not a valid voting option for this resolution, Triodos abstain on this resolution.	Abstain
7.1	Amend Articles: Article 2(1) of the articles of association: Reduction of the Company's share capital The Board requests authorisation to reduce capital stock by up to 10% over a period of 24 months. As it is not considered that this has a negative effect on shareholder rights, Triodos support this resolution.	For
7.2	Authorise Share Repurchase Authority to allow the Board to repurchase shares within legal boundaries. The repurchase is limited to 10% of share capital and will be in force until the next AGM. Acceptable proposal. Triodos support this resolution.	For
7.3	Amend Articles: Article 5(5) of the articles of association: Disclosure of Company announcements in english Proposal to amend the Bylaws so that Annual Report and interim reports may be prepared in English only and, if decided by the Board of Directors, in Danish. This proposal would increase disclosure for non-Danish investors, which is welcomed.	For
7.4	Amend remuneration policy It is proposed to approve the remuneration policy with a binding vote. Variable remuneration does not seem to be consistently capped and as such there are excessiveness concerns as the total potential variable remuneration may exceed 200% of the salary. In addition, the Company has not disclosed quantified targets or performance criteria for its variable remuneration component, these are kept kept confidential, from year to year, since they describe details of Company's business objectives. In addition, there are claw back clauses in place over the entirety of the variable remuneration. However, Triodos oppose this resolution based on potential excessive remuneration.	Oppose
8	Elect Chairman of the general meeting It is proposed that the chairman of the general meeting be authorised to make such changes in and supplements to the matters adopted at the general meeting and the notification to the Danish Commerce and Companies Agency in connection with the registration of the amendments made. Standard agenda item. Acceptable proposal.	For

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 2 - Receive the Annual Report

In November 2014, the Directive 2014/95/EU was published and Member States will have until end of 2016 to transpose the Directive into national legislation and companies will start reporting as of their financial year 2017. The Directive has legislative relevance for all the European Economic Area and as such should be implemented also by members of the European Free Trade Association. Under the Directive, companies should provide disclosure of non-financial information (policy and practice) in the annual report or on a separate report, made available at the latest 6 months after the date of the balance sheet. The European Commission has been tasked with publishing non-binding reporting guidelines by December 2016. Although the provisions contained in the Directive are not yet binding, they are considered to set the bar of best practice. It is considered that corporations should not passively abide by minimum standards set in regulation, but actively exceed minimum thresholds and seek best practice. PIRC will accurately monitor the presence and the quality of non-financial information.

Proposal 5.1 - Approval of remuneration for directors for 2015

Directors' fees consist of a basic fee, of which the Chairman and the Vice Chairman receive a multiplier. The basic fee is DKK 52,763 the Vice Chairman receives two times and the Chairman three times. Committee members received an additional 50% of the basic fee and committee Chairmen received an additional 100% of the basic fee.

Proposal 5.2 - Approval of remuneration for directors for 2016

Directors' fees consist of a basic fee, of which the Chairman and the Vice Chairman receive a multiplier. The basic fee is DKK 400,000 (EUR 53,600) the Vice Chairman receives two times and the Chairman three times. Committee members will receive an additional 62.5% of the basic fee and committee Chairmen will receive an additional 112.5% of the basic fee.

Proposal 6 - Appoint the Auditors

The New EU audit regulatory framework

Starting 1 January 2015, audit within the EU is regulated by Directive 2014/56/EU. This provides for significant harmonization of audit practices within the EU and for substantial changes in auditor's term and rotation, non-audit fees and clarification on conflicts of interest. EU Member States have two years to implement the provisions included in the Directive. The Directive also has legal relevance for all the States of the European Economic Area (EEA).

Pursuant to the new audit framework, auditors must rotate at least every 10 years, however Member states can provide for a shorter term. The term can be renewed once but the company must either call a public tender or appoint another audit firm for joint auditing.

Non-audit fees may not exceed 70% of audit fees over the last three years, although Member States can adopt a lower threshold. In addition, a series of non-audit services are prohibited under the Directive, including: provision of tax advice and services linked to the client's financial and investment strategy, including tax compliance, tax advice, corporate finance and valuation services. Member States also have the option to allow certain tax and valuation services on condition that they do not have a direct effect on the financial statements or, if they do, that the effect is immaterial.

Excessive non-audit fees potentially create a conflict of interest and thus hinder an objective audit of the company. Excessive non-audit fees may not be supported during the year under review or the three previous years. In addition, appointments of those auditors who did not disclose in detail the nature of their non-audit services may not be supported. In terms of good governance it is considered that auditors should rotate after a maximum term of five years, although annual election would be welcomed.

In November 2014, Directive 2014/95/EU was published on disclosure of non-financial and diversity information by large companies and groups, which will have to be implemented by the 2017 reporting. Companies should provide disclosure of non-financial information (policy and practice) in the annual report or on a separate report, made available 6 months after the date of the balance sheet, at the latest. Statutory auditors are tasked by the Directive to check that such information has been provided.

Proposal 7.3 - Amend Articles: Article 5(5) of the articles of association: Disclosure of Company announcements in english

Amendments to the Danish Company Act by the Danish Parliament, effective January 2014, allow companies to choose English-only disclosure.

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