


VESTAS WIND SYSTEMS AS

MEETING DATE	Thu, 08 Apr 2021 16:00	TYPE	AGM	ISSUE DATE	Mon, 29 Mar 2021
MEETING LOCATION	Virtual				
CURRENT INDICES	FTSE EuroFirst				
SECTOR	Steam, gas, and hydraulic turbines, and turbine generator set units				
FYE	31 Dec 2020				

PROPOSALS		ADVICE
1	Receive Report of Board Non-voting agenda item.	Non-Voting
2	Adopt the Annual Report Disclosure is adequate. The financial statements were made available sufficiently before the meeting and have been audited and certified.	For
3	Approve Allocation of Income and Dividends of DKK 8.45 Per Share The Board proposes a dividend of DKK 8.45 per share. The dividend is covered by earnings. Acceptable proposal.	For
4	Approve the Remuneration Report It is proposed to approve the implementation of the remuneration report. The payout is in line with best practice, being under 200% of the fixed salary. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. However, the company has not fully disclosed quantified targets against which the achievements and the corresponding variable remuneration has been calculated. Although a common practice in this market as this is deemed to be sensitive information, it prevents an accurate assessment and may lead to overpayment against underperformance. Triodos abstains this resolution.	Abstain
5	Approve Fees Payable to the Board of Directors and Committee Work It is proposed to increase the amount payable to the Board of Directors by less than 10% on annual basis. Within recommended guidelines.	For
6.a	Re-Elect Anders Runevad - Non-Executive Director Not considered to be independent as the candidate was past employee, previously the CEO and President of the company. However, there is sufficient independence on the Board. Triodos supports this resolution.	For
6.b	Re-Elect Bert Nordberg - Chair (Non Executive) Non-Executive Director. Considered independent as he has a tenure of less than twelve years.	For
6.c	Re-Elect Bruce Grant - Non-Executive Director Independent Non-Executive Director. Although there are concerns over the director's potential time commitments, the director's attendance of board and committee meetings during the year under review was sufficient. Triodos supports this resolution.	For
6.d	Re-Elect Eva Merete Sofelde Berneke - Non-Executive Director Independent Non-Executive Director. Although there are concerns over the director's potential time commitments, the director's attendance of board and committee meetings during the year under review was sufficient. Triodos supports this resolution.	For

6.e	Re-Elect Helle Thorning-Schmidt - Non-Executive Director Independent Non-Executive Director. Although there are concerns over the director's potential time commitments, the director's attendance of board and committee meetings during the year under review was sufficient. Triodos supports this resolution.	For
6.f	Re-Elect Karl-Henrik Sundström - Non-Executive Director Independent Non-Executive Director. Although there are concerns over the director's potential time commitments, the director's attendance of board and committee meetings during the year under review was sufficient. Triodos supports this resolution.	For
6.g	Re-Elect Lars Olof Josefsson - Vice Chair (Non Executive) Independent Non-Executive Director.	For
6.h	Elect Kentaro Hosomi - Non-Executive Director Independent Non-Executive Director.	For
7	Appoint the Auditors PwC proposed. Non-audit fees represented 33.33% of audit fees during the year under review and 55.56% 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 ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Triodos opposes this resolution.	Oppose
8.1	Approve Guidelines for Incentive-Based Compensation for Executive Management and Board 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 for the performance criteria of its variable remuneration component, which may lead to overpayment against underperformance. There are claw back clauses in place over the entirety of the variable remuneration, which is welcomed. Triodos abstains this resolution.	Abstain
8.2	Amend Article 2: Change Par Value from DKK 1 to DKK 0.01 or Multiples Thereof The purpose of the proposal is to make it possible for the Board of Directors at a later stage undertake a share split without changing the underlying value of the company. It is proposed to split the share capital as follows: the denomination per share be changed from DKK 1.00 to DKK 0.01 or multiples thereof. There are no serious impacts on holdings. Triodos supports this resolution.	For
8.3	Amend Article 3: Authorization to increase the company's share capital. Authority is sought to increase the authorised share capital of the company up to DKK 20,197,345. The proposed amount is less than 50% of the current share capital. Meets guidelines. Support is recommended.	For
8.4	Amend Articles: Allow Shareholder Meetings to be Held by Electronic Means Only It is proposed to include a provision in the Articles permitting the use of electronic means for board meetings. The use of electronic means of meeting is considered to be beneficial for all shareholders. Support is recommended.	For
8.5	Amend new Article 13: Allow Electronic Distribution of Company Communication The Board of Directors proposes to adopt a new article 13 in the Articles of Association thereby granting the Board of Directors the option to elect to have all communication from the company to its shareholders take place by electronic means in accordance with section 92 of the Danish Companies Act. No significant concerns have been identified. The proposed amendments are in line with applicable regulation. Support is recommended.	For

8.6	Pay Extraordinary Dividends It is proposed to allow the company to pay extraordinary dividends throughout the year. There is insufficient disclosure whether the dividends would be paid from earnings, retained earnings, or reserves. While the company states that the financial position of the company would be examined before paying dividends, it does not state in sufficient detail what financial state the company would have to be in in order to allow additional dividends. Triodos abstains this resolution.	Abstain
8.7	Authorisation for the Board of Directors to decide on acquisition and transfer of treasury shares It is proposed to authorise the Board to purchase Company's shares for 10% and until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. No clear justification was provided by the Board. Triodos opposes this resolution.	Oppose
9	Authorize Editorial Changes to Adopted Resolutions in Connection with Registration with Danish Authorities Standard resolution.	For
10	Any other Business Non-voting agenda item.	Non-Voting

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