

## News release from Vestas Wind Systems A/S

Aarhus, 20 April 2020

### To ensure strong focus on execution in 2020 and sustain long-term competitiveness, Vestas will optimise its product portfolio

Technological development has driven renewables to become the cheapest energy source in two-thirds of the world, with Vestas continuing to be a fundamental driver of this progress. This development is ongoing, and with the renewables industry evolving rapidly as a result, market needs are constantly shifting. Vestas must adapt its technological development to ensure we are building the right solutions to address these changes, as well as the complexity we face from trade wars, tariffs, changing industry structures, and most recently a global pandemic.

In 2020, the COVID-19 pandemic has and will continue to shape societies and economies, and the industrial challenges and economic turmoil it brings will likely take years for societies to recover from. Together with the renewables industry's changing competitive landscape, Vestas is taking steps to ensure we exit 2020 in the position of strength with which we entered it.

More specifically, to ensure a strong focus on execution and long-term competitiveness, Vestas will further optimise parts of its product portfolio, which includes stopping certain projects with immediate effect. Simultaneously, and due to the extraordinary situation from the pandemic, additional measures are needed to ensure the organisation executes as strongly as possible on our order backlog and customer commitments in 2020. To this end, Vestas intends to reduce its workforce across functions in Denmark that do not directly support 2020 deliveries.

As a consequence of these measures, Vestas intends to lay off approximately 400 employees, which will primarily affect locations in Denmark. A limited number of layoffs is also expected in other locations in Europe. Additionally, Vestas' registered directors in Executive Management will take a 10 percent pay-cut until end of 2020.

President and CEO of Vestas, Henrik Andersen, says *"We're in a period of high uncertainty and by making a strategic decision on our product portfolio and reduce complexity, we sustain our competitiveness in the future and ensure we can adjust quickly to COVID-19 challenges. It's always difficult to say goodbye to good colleagues and the timing for these decisions is never good, but our responsibility is to strengthen Vestas for long-term success. By making Vestas and wind energy more competitive, we want to provide the solutions that make the energy transition an integral part of rebuilding societies and economies, and ultimately creating jobs across the value chain"*.

The layoffs are expected to affect most Vestas locations in Denmark with the majority in Aarhus and Lem, due to technology projects driven from those locations being stopped. Vestas' temporary facility in Viborg, which was established to serve specific projects from MHI Vestas Offshore Wind, will be closed. Following today's announcement, Vestas employs more than 25,500 people globally and around 4,000 in Denmark.

Today's announcement does not affect the suspension of Vestas' guidance for 2020.

#### For more information, please contact:

Anders Riis  
Head of Communications  
Tel: +45 4181 3922  
Mail: [ANPRR@vestas.com](mailto:ANPRR@vestas.com)

### About Vestas

Vestas is the energy industry's global partner on sustainable energy solutions. We design, manufacture, install, and service wind turbines across the globe, and with more than 113 GW of wind turbines in 81 countries, we have installed more wind power than anyone else. Through our industry-leading smart data capabilities and unparalleled more than 96 GW of wind turbines under service, we use data to interpret, forecast, and exploit wind resources and deliver best-in-class wind power solutions. Together with our customers, Vestas' more than 25,500 employees are bringing the world sustainable energy solutions to power a bright future.

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<https://www.vestas.com/en/media/images>.

We invite you to learn more about Vestas by visiting our website at [www.vestas.com](http://www.vestas.com) and following us on our social media channels:

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