

News release from Vestas Wind Systems A/S

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Vestas Ventures invests in wood technology start-up Modvion, to create sustainable products and low-carbon value chain

Vestas, the global leader in sustainable energy solutions, has invested in Swedish wood technology company Modvion, in a move towards creating fully sustainable products and solutions, and reducing carbon emissions from our value chain. The investment sees Vestas becoming a minority investor in the bio-composite specialist, and marks the first official investment from newly established corporate venture capital arm, Vestas Ventures.

Modvion specialises in the development and manufacturing of wind turbine towers made from laminated veneer lumber (LVL), a bio-composite material sourced sustainably from a supplier network, and validated to uphold robust reforestation strategies. When compared directly with the value chain of a conventional steel tower, Modvion towers are expected to reduce carbon emissions by 80 percent for the wind turbine tower. The reduced weight of an LVL tower and lower CO₂ intensity of the materials contribute to the overall reduction in CO₂ emissions.

“Vestas Ventures was established to nurture innovation that can help accelerate the energy transition, and our collaboration with Modvion has the potential to support this journey. The modular nature of Modvion’s design approach, and the possibilities for increased hub heights could contribute to a reduction in cost of energy for Vestas customers, along with increased ease of transportation in logistically challenged markets. Introducing an LVL tower variant could lead Vestas to become less reliant on steel prices, supporting our ongoing growth journey,” said Bo Svoldgaard, Senior Vice President and Head of Innovation and Concepts at Vestas.

As part of Vestas’ commitment to reduce carbon emissions across our supply chain by 45 percent per MWh delivered to the market by 2030, Vestas will be leveraging our position as an investor to support Modvion’s scale-up strategy, with a long-term goal of integrating LVL towers into our design and manufacturing processes, to enable a more sustainable solution offering. Modvion’s tower design has the potential to align with Vestas’ modular approach to product architecture, and plans for offering a ‘green’ tower variant are already in development, whereby Vestas will aim to strengthen our ability to support customers in their sustainability journey, while continuing to offer cost-competitive solutions.

“At Vestas, our vision is to spearhead the sustainable growth of the renewables industry, and elevate the industry standard around sustainability performance. Cultivating cutting-edge technologies, such as Modvion’s LVL towers, can pave the way for building scale sustainably, particularly as the towers can integrate with our modularisation strategy. Evaluating our supplier network against our sustainability ambitions, which include reducing carbon emissions from our supply chain, is also an integral part of fulfilling our vision. Our collaboration with Modvion signals a strong benchmark for the way we intend to nurture supplier relationships going forward,” said Lisa Ekstrand, Senior Director and Head of Sustainability at Vestas.

“We are excited to have Vestas onboard and for the chance to support the world’s leading wind turbine manufacturer in reaching its ambitious sustainability targets. To tackle the climate crisis, we need more renewable energy and increased use of sustainable, wooden constructions, and Modvion’s technology enables both,” said Otto Lundman, CEO of Modvion AB.

Vestas’ investment was finalised on January 29th, 2021. Vestas Ventures was established in late 2020 as a corporate venture capital arm, with a vision to accelerate the deployment of sustainable energy, the electrification of societies and unlock new growth opportunities through relevant investment programs.

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About Modvion

Swedish wood technology company Modvion develops demanding designs made of laminated wood, nature's carbon fibre, for large-scale applications. Wooden designs enable radical reductions in emissions by replacing emission-heavy material such as steel and concrete. Thanks to their patented module system, Modvion has been able to develop wind towers at decreased manufacturing costs and more efficient transportation for installations of tall towers.

For updated Modvion press material, including product images, please [visit their media kit page](#).

About Vestas

Vestas is the energy industry's global partner on sustainable energy solutions. We design, manufacture, install, and service onshore and offshore wind turbines across the globe, and with more than 132 GW of wind turbines in 82 countries, we have installed more wind power than anyone else. Through our industry-leading smart data capabilities and unparalleled more than 117 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 29,000 employees are bringing the world sustainable energy solutions to power a bright future.

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