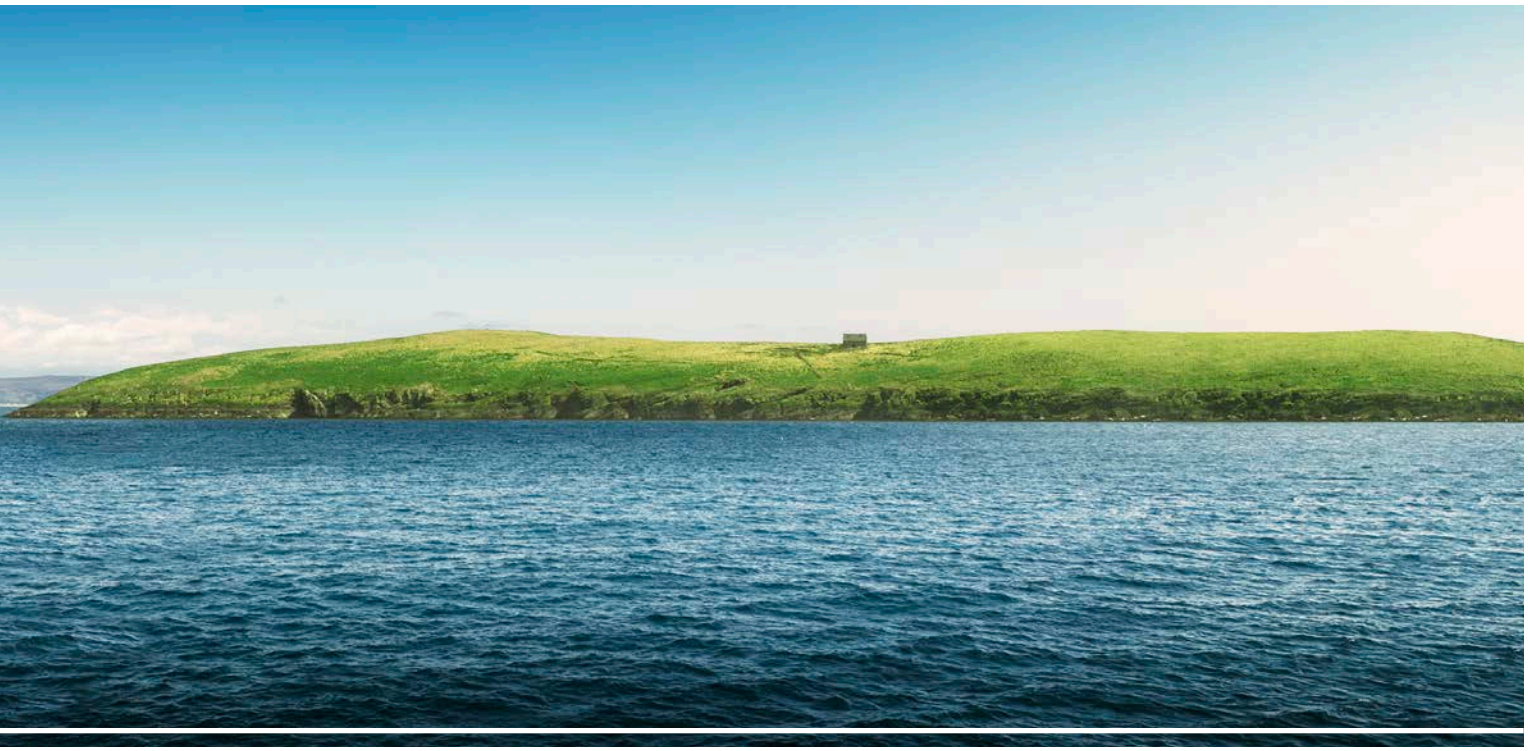
DNV·GL



TAKING A BROADER VIEW

ANNUAL REPORT 2013

Our purpose

To safeguard life, property and the environment

Our vision

Global impact for a safe and sustainable future

Our values

We build trust and confidence
We never compromise on quality or integrity
We are committed to teamwork and innovation
We care for our customers and each other
We embrace change and deliver results

CONTENTS

Driven by its purpose of safeguarding life, property and the environment, DNV GL enables organisations to advance the safety and sustainability of their business.

We provide classification and technical assurance along with software and independent expert advisory services to the maritime, oil & gas, and energy industries. We also provide certification services to customers across a wide range of industries.

Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.

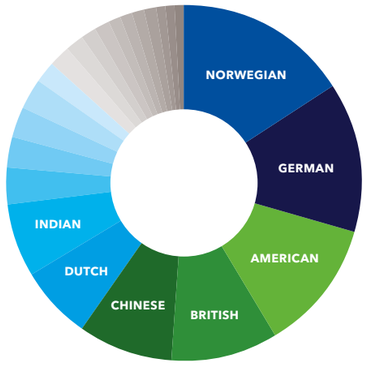
With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

WORLDWIDE PRESENCE

EMPLOYEES BY NATIONALITY AS PER 31.12.2013

Norwegian	2,160	Danish	261
German	1,861	Singaporean	237
American	1,602	Spanish	205
British	1,336	Swedish	205
Chinese	1,143	French	173
Dutch	906	Egyptian	160
Indian	895	Canadian	153
Korean	468	Japanese	139
Italian	383	Greek	132
Brazilian	376	Russian	118
Polish	353	Mexican	113
Malaysian	265	Australian	103

Nationalities >100 shown in table
Nationalities >800 shown in pie chart



SUPPORT OF UN GLOBAL COMPACT PRINCIPLES

THE GLOBAL COMPACT
WE SUPPORT

DNV GL is committed to the 10 universal principles in the areas of of human and labour rights, environmental standards and anti-corruption. It signed the UN Global Compact in 2003.

DNV GL works to continuously demonstrate responsible practice in these areas within its own organisation as well as advancing these principles with others through its objective to safeguard life, property and the environment.

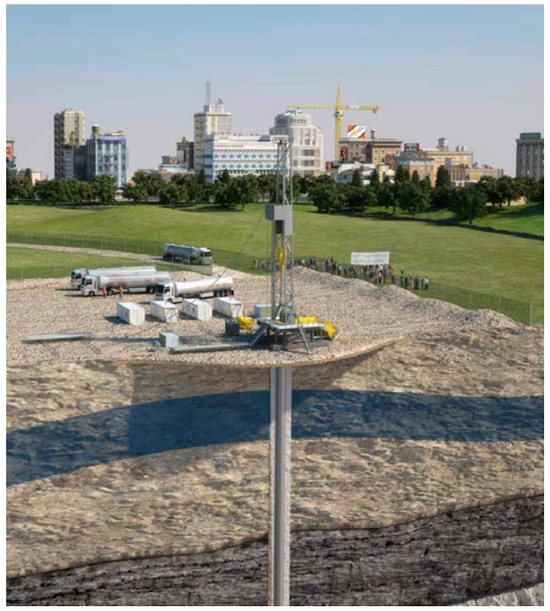
OFFICES WORLDWIDE

532

COUNTRIES

100

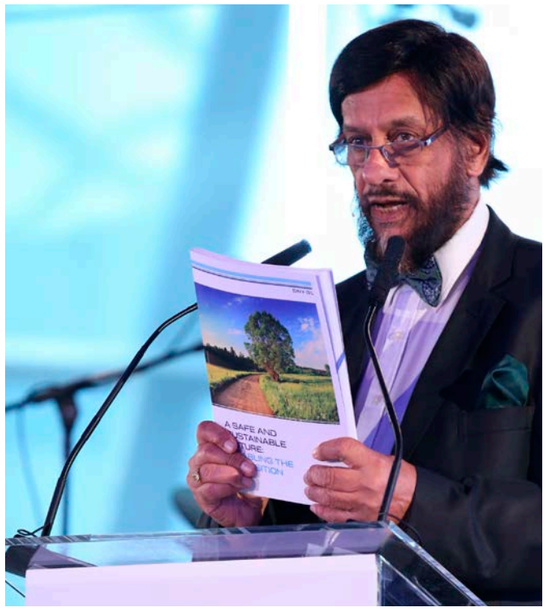
HIGHLIGHTS



RECOMMENDED PRACTICE FOR SHALE GAS RISK MANAGEMENT

In January, we launched a Recommended Practice (RP) for the entire life cycle of shale gas extraction based on risk management principles, industry best practices and standards.

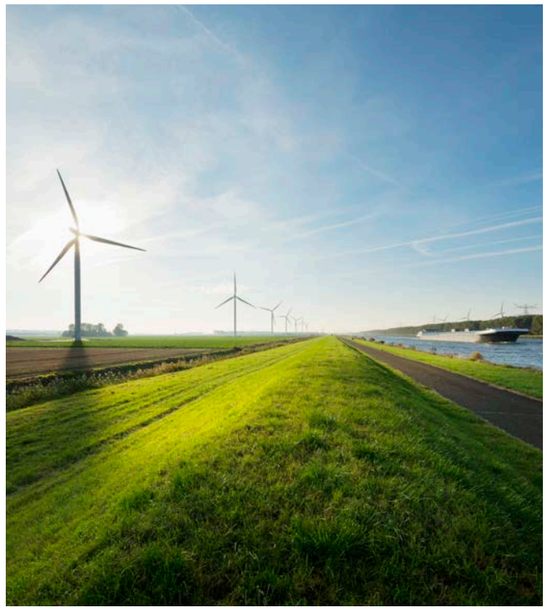
The RP provides a reference document for the independent verification of shale gas projects and applies risk management principles to ensure that threats related to shale gas activities are managed in an accurate, balanced, transparent and traceable way.



SIX STRATEGIC THEMES FOR THE FUTURE

In April, we started a major initiative to explore six themes of strategic relevance to our vision. Some of the themes, such as climate change adaptation, have taken us into new territory; others, such as the future of shipping, have seen us re-evaluate more familiar ground.

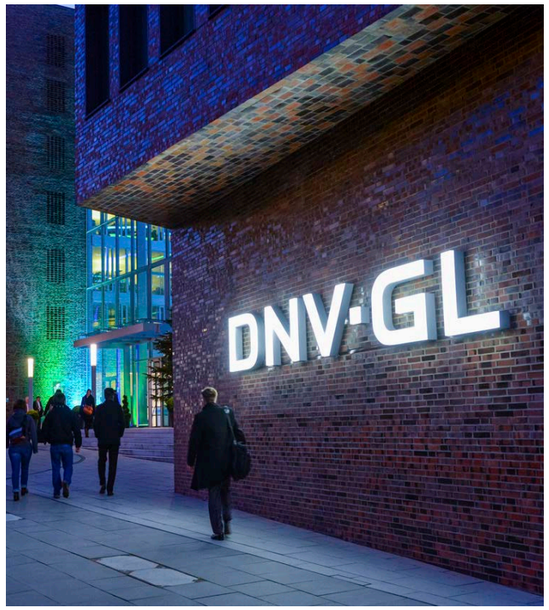
2014 will see us use the findings to engage our stakeholders in a debate about the transition to a safe and sustainable future while empowering our customers to become safer, smarter and greener.



COLLABORATION WITH UNEP

In June, we signed a Memorandum of Understanding with the United Nations Environment Programme (UNEP) to collaborate in connection with the establishment of a Climate Technology Centre and Network (CTCN) in Copenhagen.

The Centre and its network is the implementing arm of the technology mechanism under the UN Framework Convention for Climate Change (UNFCCC). This mechanism aims to accelerate global development, transfer and deployment of climate change mitigation and adaptation technologies to developing countries.



DNV AND GL MERGER APPROVED

In September, the competition authorities cleared the merger between DNV and GL. By combining the two international organisations, the DNV GL Group becomes one of the world's leading independent technical service providers with state-of-the-art technological expertise and strong capabilities for innovation.

With more than 16,000 employees and an extensive global office network, the DNV GL Group is positioned to meet increased international competition and even better serve the needs of customers and society.

KEY FIGURES

FIGURE 02 EQUITY RATIO (%)

60.5%

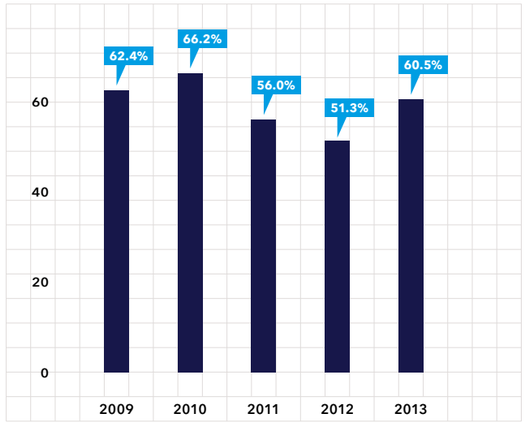


FIGURE 03 OPERATING PROFIT (MILLION NOK)

1,177

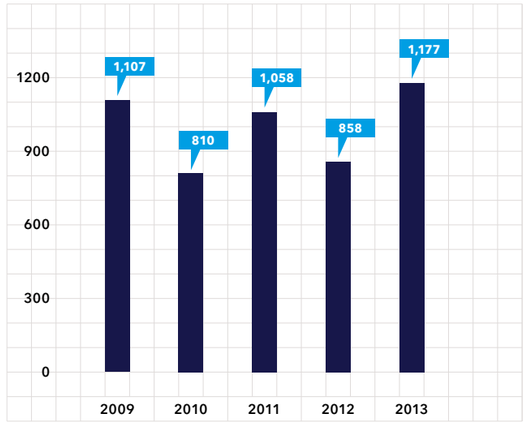
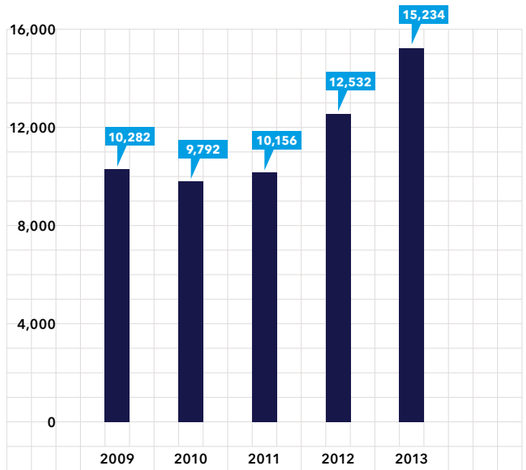


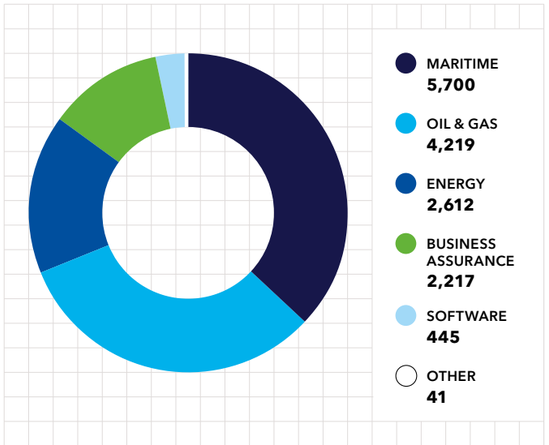
FIGURE 01 REVENUE (MILLION NOK)

15,234

LAST FIVE YEARS



PER BUSINESS AREA

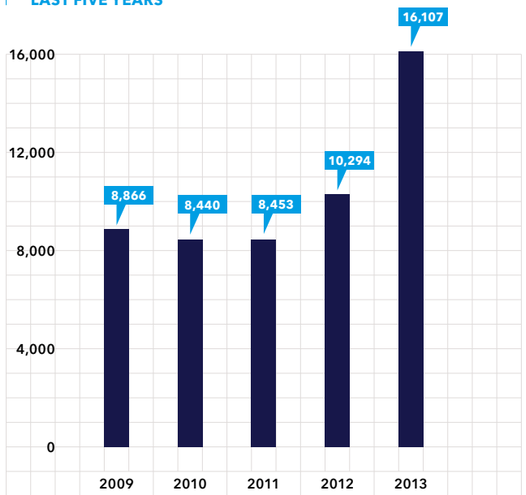


2013: DNV Group and GL Group merged with effect from 1 October.
2012: Key figures for 2012 have been restated to reflect the demerger of DNV Petroleum Services and the real estate companies in Norway (effective 1 Jan. 2013).
2009–2011: Key figures for the years 2009–2011 are in line with financial figures as presented in the audited financial accounts of Det Norske Veritas Group AS for these years.

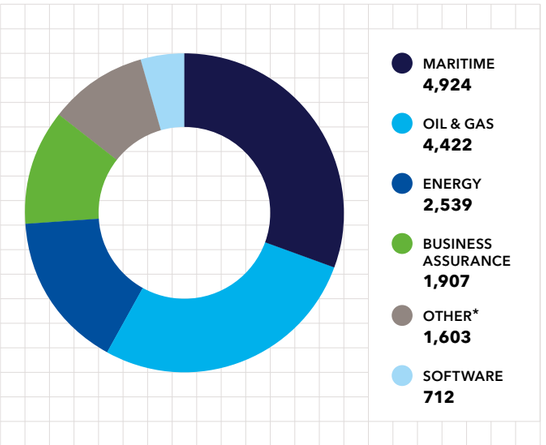
FIGURE 04 NUMBER OF EMPLOYEES

16,107

LAST FIVE YEARS



PER BUSINESS AREA



* Group functions, Research & Innovation and shared services

2013: DNV Group and GL Group merged with effect from 1 October.
2012: Key figures for 2012 have been restated to reflect the demerger of DNV Petroleum Services and the real estate companies in Norway (effective 1 Jan. 2013).
2009–2011: Key figures for the years 2009–2011 are in line with financial figures as presented in the audited financial accounts of Det Norske Veritas Group AS for these years.

MAIN SERVICES

DNV GL is structured into four business areas and one independent business unit.

MARITIME

We help enhance the safety, efficiency and sustainability of our customers and the global shipping industry, in all vessel types and floating offshore structures.

SERVICES INCLUDE:

- Classification of ships and mobile offshore units
- Certification of materials and components
- Technical, safety, business risk and environmental advisory services
- Training and competence-related services
- Software

OIL & GAS

We help oil and gas companies enhance the safety, reliability and performance of projects and operations. We deliver industry best practice across the asset lifecycle.

SERVICES INCLUDE:

- Risk management advisory
- Technical advisory
- Noble Denton marine assurance & advisory
- Technical assurance
  - Certification and verification
  - Inspection and quality assurance

ENERGY

We support our customers across the energy value chain in ensuring reliable, efficient and sustainable energy supply.

SERVICES INCLUDE:

- Power testing, inspection and certification
- Renewables advisory services
- Renewables certification
- Electricity transmission and distribution
- Smart grids and smart cities
- Energy market and policy design
- Energy management and operations services
- Energy efficiency services

BUSINESS ASSURANCE

We help create trust and confidence and assure sustainable performance for companies across a variety of industry sectors.

SERVICES INCLUDE:

- Management system certification
- Product assurance
- Supply chain management and assurance
- Sustainability strategy and reporting
- Personnel certification
- Food & beverage certification and assessment
- Healthcare accreditation and assessment

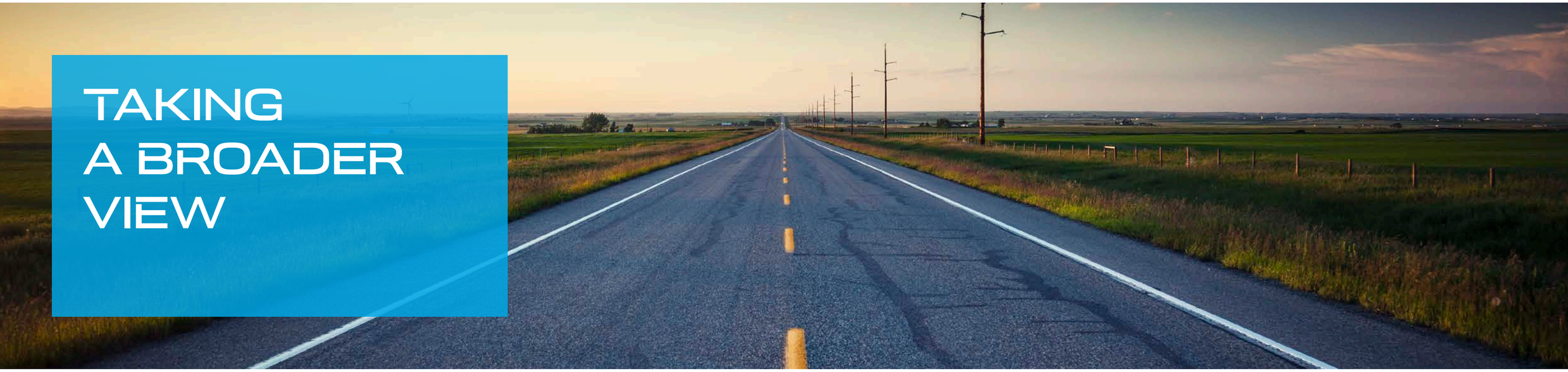
SOFTWARE

INDEPENDENT BUSINESS UNIT

We help companies in a wide range of industries manage risk, optimise operations and increase return on assets with our software solutions.

PRODUCTS INCLUDE:

- Design and engineering
- Process safety, risk and reliability
- QHSE and enterprise risk
- Asset simulation and optimisation
- Asset integrity and performance
- Ship management and operations
- Ship and offshore class
- Commercial gas management
- Electric grid reliability and performance



TAKING A BROADER VIEW

As President and Chief Executive Officer of the DNV GL Group, I am pleased to be able to present our 2013 Annual Report. This was an extraordinary year, capped by the merger of DNV and GL in September and the beginning of a truly transformative period in our company's history. The time after a merger on this scale, one in fact that is unprecedented in our industry, was bound to be full of challenges and opportunities.

This report highlights what we have been able to accomplish, but even more than this it shows what we still stand to gain from bringing these two world class organisations together. Today, more than ever, we are closer to our shared vision of having a global impact for a safe and sustainable future.

Unlike many mergers, bringing together DNV and GL was not about doing the same with less, but about delivering more with more. Growing our business by strengthening our competencies and market position was at the core of the merger and even when the organisations were operating in the same markets, their complementarity was clearly evident.

Our greater size, broader service offering and bringing together of a deeper pool of expertise that can work together allow us to provide our customers highly valuable services along with the whole shipping, oil and gas, and energy value chain in more than 100 countries. Safety, quality, technology and innovation were the hallmarks of both DNV and GL and remain the foundation of DNV GL. We can build from these strengths, while continuing to adapt and evolve to help our customers improve their business in a safe and sustainable manner.

The DNV GL Group had a strong year in 2013, even as the integration process continued apace. Our Maritime and Oil & Gas business areas continued to deliver strong results in terms of quality services, volume growth and operating results. Performance was solid across locations and services, particularly in classification and verification services.

Our energy arm also achieved healthy financial results despite an ongoing restructuring of its consulting activities. Business Assurance too, kept up the pace, maintaining business volumes on a par with last year despite the continuing sluggishness of the global economy in 2013.

Our financial strength is crucial in maintaining DNV GL's independent role as one of the world's leading and trusted technology and risk management service providers.

OUTLOOK. On the whole, the worldwide economy is showing some signs of improvement. International trade is once again growing; there are regional bright spots and an increasing demand for energy.

Despite this, the picture for the shipping industry is not entirely rosy. Heavy ordering, especially toward the end of the year, threatens once again to create surplus capacity, with growth of the fleet outpacing trade demand. This imbalance looks to continue through 2015, with the effect that both newbuilding prices and freight and charter rates will remain depressed,

"UNLIKE MANY MERGERS, BRINGING TOGETHER DNV AND GL WAS NOT ABOUT DOING THE SAME WITH LESS, BUT ABOUT DELIVERING MORE WITH MORE.

continuing the competitive pressure on all of the industry's service providers, including classification societies.

The move towards more production from deep and ultra-deep offshore fields continues in the oil and gas sector, and markets in Africa, Australia, Brazil, the Gulf of Mexico and South East Asia are expanding. Global energy demand continues to rise, despite increasing price uncertainties. Fossil fuels – oil, gas and coal – will remain the main energy source for the time being, but other sources, especially renewable energy, are growing quickly.

It is almost a cliché to say that the world is rapidly changing, but certainly today the competitive environment and the risk picture for business is in flux like never before. Climate change, demographic trends, regional political instabilities and technological progress mean that the demands of adapting to a constantly shifting landscape are greater than ever. DNV GL helps its customers make sense of this increasingly complex risk picture, but I believe that if we are to find answers to these global challenges we will only be able to do so as part of a much broader dialogue that will have to take place between business, regulators and society at large.

Part of the answer lies in innovation, in offering solutions that are created through new forms of collaboration. Bringing together businesses and regulators is essential to achieving sustainable development and growth in the long term. We are furthering our commitment to innovation by devoting 5% of revenues to fund forward looking research and innovation projects to create value for our customers and reduce the strain on global resources.

DNV GL remains focused on enhancing the positive impacts our core business activities have on society. This is manifested not only in how we conduct our business but also how we manage the entire group. Our safety and sustainability footprint is clear in all our business areas' services, while our occupational health and safety performance is constantly improving. This is based on the UN Global Compact principles, a cornerstone for ensuring confidence in and the long-term success of our company.

As a knowledge-based company our value is created by our employees, so promoting the continued well-being, personal development and competence of our employees is a foundational part of our business. Focusing on building cooperation, expertise and adaptability will help our employees deliver more to both our customers and society at large. I take our responsibility to our employees very seriously and our DNV GL values of caring for our customers and each other, building trust and confidence, teamwork and innovation shape all of our efforts in this area.

The year 2014 marks the 150th anniversary of the formation of DNV and the first anniversary of the DNV GL Group - and the dawning of a new era. We achieved a lot in 2013 and, with the combined expertise and commitment of the DNV GL staff and the Board, I am confident that we will achieve even more in the years ahead.

As DNV GL changes and grows to meet the challenges of the coming years, we will be guided and defined by our purpose of safeguarding life, property and the environment and our vision to have a global impact for a safe and sustainable future. In this way we will help our customers and the world to become safer, smarter and greener.

Henrik O. Madsen
President & CEO
DNV GL Group

MAKING THE WORLD SAFER, SMARTER AND GREENER

The merger between DNV and GL in September 2013 has established DNV GL as a global leader in classification, certification and technical advisory services. DNV GL achieved combined revenues for 2013 of NOK 15 234 million, which included the effect of the merger from 1 October, and strengthened its market position and expertise in all its key areas. Group pro forma revenues for the full year amounted to NOK 19 653 million.

DNV GL is now a world leader in ship and offshore classification, a leading independent service provider in the oil and gas sector, a powerhouse in renewables and power transmission and one of the world's top three management system certification bodies. Det Norske Veritas Holding AS is the majority shareholder of DNV GL, with 63.5% of the shares, while Mayfair Vermögensverwaltungs SE ('Mayfair') holds 36.5%.

An increasingly complex risk and sustainability-focused environment for customers is expected to drive demand for the new company's technology expertise and risk management services. DNV GL is responding with a broader service portfolio, more in-depth expertise, a denser global network and extensive R&D and innovation investments and capabilities that will benefit customers and other stakeholders.

The plans to merge DNV and GL were announced in December 2012. Following the announcement, a thorough merger planning process was carried out, followed by the start of integration activities after the closing. In parallel, the organisation continued to focus on delivering high quality services to customers, and engagement and commitment remained high.

Helping customers to perform on time, on budget and to quality standards was a key focus for DNV GL last year. Most notably, DNV GL further deepened its capacity to help operators deliver offshore mega projects, such as Ichthys LNG, Kanowit FLNG, the Mariner heavy oil development and Martin Linge. DNV GL was also awarded a high-profile project managed by the Research Partnership for Securing Energy for America and funded by the US Department of Energy. In addition, DNV GL started work to expand its high-power laboratory in Arnhem. DNV GL will invest about Euro 70 million in this laboratory, which will be the world's first in the ultra-high testing segment for the emerging super grid market.

DNV GL won important contracts in the September to December 2013 period – some that DNV or GL alone would maybe not have won. These include projects for Kitimat LNG, Meerwind/Siemens and Gamesa, Total/Technip and work for the US Trade and Development Agency. In addition, DNV GL started on long lead projects such as the development of one common rule set for ships, the preparation for the transfer of GL-classed vessels into the legacy DNV production system, and the alignment of the operational and legal structure to allow efficient deliveries and services to customers.

DNV GL launched its new global brand in December 2013. The new brand profile and value proposition are crucial for DNV GL to be able to act – and be perceived – as one company in the market.

The Board acknowledges and sincerely thanks the management and employees for the hard work and commitment displayed throughout 2013.

MARKET

The shipping industry remains in the midst of a difficult period and is still suffering from overcapacity and weak trade developments. Excessive contracting of new ships over the past decade has created fleet growth in excess of trade growth. Despite the challenges, demand for DNV GL's maritime-related services remained strong throughout the year. Almost all service lines were able to document healthy, positive growth rates, the only exception being the ship newbuilding service line, which contracted marginally.

The strong performance was particularly driven by the certification of materials and components and ships-in-operation services, which showed a solid improvement over previous years. The high level of activity maintained in offshore oil and gas exploration and production led to excellent results in the offshore supply and mobile offshore unit segments, where DNV GL enjoys a strong position as a classification society.

In 2013, DNV GL secured 771 newbuilding classification contracts for ships and mobile offshore units, corresponding to 26.5 million gross tonnes. This gives an estimated share of 22% of newbuilding classification contracts in terms of numbers and 27% in terms of gross tonnes.

The total DNV GL-classed fleet of ships and mobile offshore units was 13 743 at the end of 2013. This gives DNV GL a 21% share of the classed world fleet in terms of the number of ships/units in operation and a 23% share of the gross tonnage.

The oil and gas industry remains strong and investment levels are high. Production from many ageing assets is continuing way beyond the expected design life. However, there were signs of caution in new high risk investments towards the end of 2013. The confidence in a stable oil price is declining as both the supply and demand sides are uncertain. The decline in confidence, rising costs and shortages of skilled professionals are the key barriers to investment.

In this changing environment, DNV GL's risk management approach helps customers to make informed decisions. Over the past year, DNV and GL have worked closely with a broad range of industry stakeholders to develop services and tools to help the industry deliver on growth and society's expectations of safer, smarter and greener operations.

DNV GL's Oil & Gas activities performed well throughout 2013. The business area has grown in the gas value chain and demonstrated that it can have a bigger impact on its customers' most challenging projects.

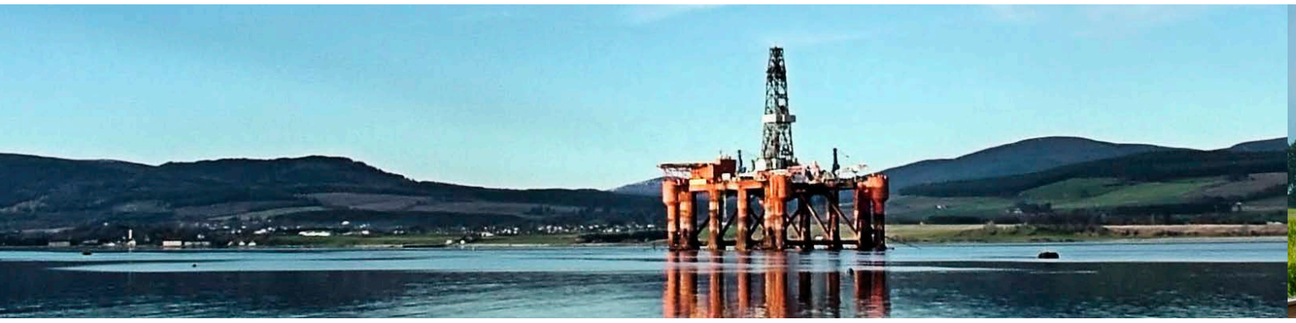
The global demand for energy continues to grow. The supply is likely to continue to rely on fossil fuels during the next several decades.

"SUSTAINABILITY CONTINUES TO BE HIGH ON THE AGENDA OF MOST COMPANIES IN ALL INDUSTRY SECTORS. IN 2013, DNV GL TOOK SEVERAL INITIATIVES TO SUPPORT COMPANIES IN THIS FIELD.

However, a major transition towards cleaner energy is strongly underway and this should help meet tomorrow's energy demand while addressing climate change and energy security. DNV GL's energy business showed strong and steady financial performance in 2013, especially in its laboratory power testing, renewables certification and energy efficiency services.

Following the acquisition of KEMA in 2012, the 'Focus to Grow' strategy is bringing a new level of organisation and service prioritisation. The energy arm of DNV GL is focusing on core competencies in the Energy and Renewables Advisory and Testing, Inspection and Certification (TIC) sectors. DNV GL – Energy serves the entire energy value chain, from advice on markets to services related to the generation, transmission, distribution and efficient use of electricity. The business area has gained expertise in almost every aspect of the power industry, from renewable energy forecasting and floating offshore wind to energy storage, super grid interconnectors, cybersecurity, smart grids and zero energy buildings.

While the DNV GL – Business Assurance entity has shown sound resilience to the adverse market conditions, its target industries are experiencing cyclical markets and are sensitive to global economic developments. An increasing number of companies are looking to work more sustainably in order to obtain access to new markets, and this is contributing to a continuous and rising



demand for management system certification and product certification. The food & beverage and healthcare sectors are strategic focus areas for Business Assurance and performed well in 2013.

Sustainability continues to be high on the agenda of most companies in all industry sectors. In 2013, DNV GL took several initiatives to support companies in this field. The 'risk-based certification' methodology, which is applied in all management system certification audits, has been renewed to incorporate new sustainability concepts. This is a major innovation in the certification industry.

"AN INCREASINGLY COMPLEX RISK AND SUSTAINABILITY-FOCUSED ENVIRONMENT FOR CUSTOMERS IS EXPECTED TO DRIVE DEMAND FOR THE NEW COMPANY'S TECHNOLOGY EXPERTISE AND RISK MANAGEMENT SERVICES.

The Accredited Climate Services unit, on the other hand, suffered from a very challenging market situation and declining business volume. As a consequence, the Clean Development Mechanism (CDM) services were discontinued, though service development and innovative efforts to mitigate the climate change effect remain strong. New initiatives have been introduced to support low-carbon footprint measures and the first steps have been taken to develop a risk-based approach to climate change adaptation, including developing resilience measures for exposed regions.

As a result of the merger, DNV GL has become a world-leader in the provision of software solutions to manage risk and improve asset performance. DNV GL – Software, an independent business unit, achieved significant revenue growth in licence sales and implementation services for most of its product lines, and strengthened its market positions in the shipbuilding, ship management and operation, offshore oil & gas and process industries.

FINANCIAL PERFORMANCE

Effective 1 January 2013, the shares in DNV Petroleum Services AS and the real estate companies Det Norske Veritas Eiendom AS and Rosenberggata 101 AS were transferred to Det Norske Veritas Holding AS through a demerger of Det Norske Veritas Group AS (renamed DNV GL Group AS). In the following financial comments as well as in the financial accounts for the Group, the 2012 figures have been restated to reflect the consolidated balance sheet and consolidated income statement of DNV GL Group AS after the demerger. The figures for the parent company DNV GL Group AS have not been restated.

DNV GL Group AS achieved operating revenue of NOK 15 234 million in 2013, an increase of NOK 2 703 million from 2012. Of the 22% revenue growth, 6% is organic growth in DNV GL, 3% is growth due to the full year effect of KEMA in 2013, and 13% is the result of the GL merger which was effective from 11 September 2013 and had financial impact from 1 October. The Maritime segment revenue grew by 8% last year to NOK 5 700 million, fuelled by strong performance from ships in operation and certification of material and components. Services to the oil and gas sector also showed a steady development with revenue growth of 11% to NOK 4 219 million, driven primarily by the positive developments in verification services. The services to the energy sector experienced an overall contraction in revenue of 9%, ending at NOK 2 612 million, primarily as a result of the advisory services' Focus to Grow strategy, while the TIC laboratory services and sustainable use verification services both improved. Business Assurance saw a slight increase in the volume of its management system certification services while the market for our climate change services (CDM) came to an almost complete standstill and hence will be discontinued from early 2014. Business Assurance revenue came to NOK 2 217 million. DNV GL – Software's revenue grew overall by 16% and landed at NOK 445 million.

Earnings before interest, tax and amortisations (EBITA) improved from NOK 1 037 million in 2012 to NOK 1 633 million in 2013. The positive development is primarily driven by maritime classification services and verification services to the oil & gas sector. After amortisations of NOK 456 million in 2013 (of which NOK 395 million related to GL and KEMA transactions) the operating profit (EBIT) increased by NOK 319 million from NOK 858 million in 2012 to NOK 1 177 million in 2013.

The net financial cost of NOK 14 million in 2013 is partly a result of interest calculated on the amount agreed as the purchase price for the remaining KEMA shares not yet owned by the DNV GL Group.

The tax expense in 2013 is estimated to be NOK 492 million and represents an average tax cost of 42%, up from 35% in 2012. Non-tax deductible goodwill amortisations from the GL and KEMA transactions represent 7 percentage points of the average tax rate. The effective tax rate for the ongoing business is calculated to be 30%.

The deferred bonus scheme focusing on technical experts and senior managers and introduced in DNV in 2012 was continued in 2013. Other employees remain in the profit-sharing scheme. Based on the overall performance in 2013, the Board has approved a total payment for the two schemes of NOK 230 million to eligible permanent employees. Including bonus schemes in N.V. KEMA equal to NOK 43 million and bonus schemes in GL SE equal to NOK 44 million (3 months effect) the total bonus expense for the Group in 2013 is NOK 317 million.

The net profit for 2013 is NOK 671 million, compared to NOK 579 million for 2012. The cash flow from operations was a positive NOK 677 million in 2013. The negative net cash flow for 2013, NOK 570 million, was influenced by NOK 586 million from investments in non-current assets and the NOK 662 million dividend payment to Det Norske Veritas Holding AS prior to the merger with GL. However, the GL merger increased the Group's cash balance by NOK 2 671 million.

"THE BOARD REGARDS DNV GL'S MARKET POSITIONS AS SATISFACTORY AND FINANCIAL PERFORMANCE AS STRONG. BOTH GIVE THE COMPANY A ROBUST PLATFORM FROM WHICH TO ACHIEVE ITS STRATEGIC GROWTH TARGETS AND MAINTAIN ITS INDEPENDENCE AS A FINANCIALLY STRONG AND TRUSTED COMPANY.

The Group has revenues and expenses in more than 50 currencies. The DNV GL Group has a natural hedge in many currencies through its balance of revenues and expenses. The Group changed its foreign exchange hedging policy in August and the policy of hedging all balance sheet items was discontinued and replaced by a policy where the aim is to hedge balance sheet items where the re-evaluation has a direct impact on the profit and loss account.

The Group has a strong balance sheet with no interest-bearing debt and total equity of NOK 15 270 million, equal to 60% of its total assets. As a consequence of the change in the foreign exchange hedging policy and the weakening of the NOK, foreign currency gains of NOK 779 million relating to net investments in foreign subsidiaries have been reflected in the equity in 2013.

The GL merger strengthened the equity significantly. The merger was completed through a share issue by DNV GL Group AS to Mayfair against Mayfair's contribution in kind, consisting of the shares in GL SE. The share capital of DNV GL Group AS was increased by NOK 36.5 million, representing 36.5% of the total share capital and 365 000 shares. The transaction was recorded at market value, with an additional increased equity of NOK 9 323.5 million (statutory reserves). A dividend of NOK 661.7 million (EUR 82.2 million) was distributed from DNV GL Group AS to Det Norske Veritas Holding AS prior to closing of the transaction with Mayfair. NOK 99 million net actuarial gains for the group have been reflected in the equity in 2013.

The required changes in mortality tables for the defined benefit pension plans in Norway led to an increase in the pension liabilities as at 31 December 2013. The equity of the group has been charged correspondingly with NOK 269 million (after tax). However, this effect is more than counterbalanced by other actuarial gains, primarily related to the more than 12% actual return on pension assets in the Norwegian pension fund.

The accounts of the parent company, DNV GL Group AS, show a profit for the year of NOK 7 million, of which NOK 4 million is dividends received from subsidiaries. The Board of Directors proposes to transfer the profit for the year to other equity. NOK 4 million has been accrued as group contribution from DNV GL AS and is reflected as financial income in 2013.

The Board of Directors confirms that the going concern assumption applies and that the financial statements have been prepared on this assumption.

The Board regards DNV GL's market positions as satisfactory and financial performance as strong. Both give the company a robust platform from which to achieve its strategic growth targets and maintain its independence as a financially strong and trusted company.

STRATEGY

In the autumn of 2013, the Board approved a combined strategy incorporating the main elements from the legacy DNV and legacy GL strategies.

The shipping industry continues to face challenges in relation to overcapacity, increasing fuel prices and stricter environmental regulations. DNV GL's strategic goal is to be the leading ship classification society with a number 1 or 2 position in size in each ship segment, and to have the leading position for mobile offshore units in challenging operating environments. DNV GL's focus will continue to be on technology innovation, efficient energy use and cleaner marine fuels to help its customers address these challenges.

Harsher and deeper waters and increasingly complex reservoirs mean that offshore oil and gas activities are becoming more demanding. DNV GL intends to be one of the world's leading providers of independent technical and risk management services in challenging operating environments and to strengthen its position as an offshore safety expert. Gas is becoming increasingly important in the energy mix and is much more than a transitional solution towards a low-carbon society. DNV GL is aiming for significant business growth throughout the gas value chain – both on- and offshore.

"IN THE ENERGY AND RENEWABLES SECTOR, DNV GL'S OVERALL GOAL IS TO HELP ITS STAKEHOLDERS MANAGE THE GROWING DEMAND FOR ENERGY WHILE BALANCING COSTS, RELIABILITY AND ENVIRONMENTAL ISSUES – THE SO-CALLED 'ENERGY TRILEMMA'.

Over the past decade, the combination of horizontal drilling and hydraulic fracturing has allowed access to large volumes of shale resources that were previously uneconomical to produce. The shale gas has transformed the US energy picture and has the potential to become a global phenomenon. DNV GL's new recommended practice and active engagement with key stakeholders should help the company to become a trusted partner in this field.

In the energy and renewables sector, DNV GL's overall goal is to help its stakeholders manage the growing demand for energy while balancing costs, reliability and environmental issues – the so-called 'energy trilemma'. DNV GL's target for the strategy period is to be the world's leading renewables advisory and certification company, and a leading advisor across the whole power sector. It also aims to strengthen its existing position as the world leader in independent high power/high voltage and renewables testing, inspection and certification.

DNV GL CONTINUED TO INVEST 5% OF ITS REVENUE IN RESEARCH AND INNOVATION ACTIVITIES IN 2013 AS PART OF ITS DRIVE TO DELIVER ON ITS VISION AND TO EMPOWER ITS CUSTOMERS AND STAKEHOLDERS TO BECOME SAFER, SMARTER AND GREENER.

DNV GL – Business Assurance is one of the world's three largest management system certification bodies and aims to be the globally leading company by the end of the strategy period. The testing, inspection and certification market is expected to continue growing due to the increase in global trade, new quality, safety and environmental legislation, increase in product variety, and expansion into new industries and geographies. Significant revenue growth is expected in the focus areas food & beverage and healthcare sectors too. Plans are also under way to grow the product assurance business through both organic and non-organic growth.

INNOVATION

DNV GL continued to invest 5% of its revenue in research and innovation activities in 2013. Research carried out focused on a diverse range of topics, including a special programme to explore areas that will be important for DNV GL as it seeks to deliver on its vision and to empower its customers and stakeholders to become safer, smarter and greener. The programme focuses on six project themes for the future: Sustainability, Transformative Technology, the Future of Shipping, Electrification, the Arctic and Climate Change Adaptation. A wide range of stakeholders were interviewed to discuss global trends, barriers and actions required for a safe and sustainable future, followed by roundtable meetings to broaden insights. These project themes are part of DNV GL's preparations for its 150th anniversary and year-one merger celebrations in 2014.

The outcomes of the projects will be used to create dialogue and interest in what DNV GL expects to be future development in key areas.

DNV GL also maintained its successful extraordinary innovation projects, which are meant to inspire the industry with novel technology solutions to important current challenges. First out was the Plastic Aquatic project, which addresses the problem of marine plastic debris. The second project, Aqua Recovery, deals with global water challenges and how local solutions for the offshore treatment of wastewater can bring value back to society in terms of clean water. Both projects were carried out in collaboration with WWF Norway and other key stakeholders.

Significant funds were allocated to 'Cutting Edge' projects to initiate and support 30 new Joint Industry Projects (JIP) by the end of 2013. A total of 36 JIP projects were initiated, mainly supporting the oil and gas industry.

DNV GL continued its work on its strategic research & innovation programs, including: oil and gas and energy systems, Arctic technology, maritime technology, healthcare, information technology, power systems and certification, materials and climate change. Collaboration with customers, leading universities and external organisations continued throughout 2013.

DNV GL opened a new R&D unit at its Clean Technology Centre (CTC) in Singapore. The unit, called the Asian Centre of Excellence for Smart Grid and Renewable Energy Management, is designed to enable DNV GL – Energy to use its global experience to support the Asia Pacific energy market, helping build a stable and more sustainable energy future.

SIGNIFICANT EFFORT HAS BEEN INVESTED IN BRINGING 5 800 GL AND 10 500 DNV EMPLOYEES TOGETHER IN A NEW ORGANISATIONAL STRUCTURE SHARING COMMON SYSTEMS AND PROCESSES.

The unit will work closely with existing researchers in the Arnhem and Høvik offices, and will address the challenges and needs that are unique to the Asian market. DNV GL also established a partnership with the United Nations Environment Programme (UNEP) regarding its development of the Climate Technology Centre and Network in Copenhagen.

ORGANISATION

The DNV GL Group headquarters are in Høvik, just outside Oslo, Norway. The company is organised in a group structure, with four business areas (Maritime, Oil & Gas, Energy, and Business Assurance), an independent Software business unit, a Group Centre and a new Global Shared Services organisation. Setting up a new shared services organisation to be operational by 1 January 2014 was demanding but, due to the competitive landscape, such a structure is necessary to ensure control over quality and costs as well as to facilitate common processes and cooperation.

Significant effort has been invested in bringing 5 800 GL and 10 500 DNV employees together in a new organisational structure sharing common systems and processes. These changes drive a common culture and create a flexible work environment with career and competence development opportunities across the organisation, regardless of geography and career track. All the employees were incorporated into legacy DNV's Human Resources system and the new organisational structure was implemented in IT systems by 1 January 2014.

At the year-end, the total number of permanent (class A) employees was 15 242. It is positive that no increase in employee turnover was seen as a result of the merger. The largest countries in terms of number of employees are now Norway (17.4%), Germany (13.2%), the US (12.0%), the UK (9.3%) and China (7.4%). The process of merging offices started in September 2013. By the end of the year, the number of offices had been reduced by 40, bringing the total number to 532. The plans are to reduce the number of offices by an additional 140 in 2014 to consolidate the industry's densest global network to 392 offices.

DNV GL promotes diversity in its workforce. A career in DNV GL should not be hindered by nationality or gender if the employee has the competence, attitude and values needed for the role. Before a non-local (international assignee) can be hired, special approval must be granted. This is to ensure that the company continues to build up its local competence where possible.

TEMPERATURE CHECK SURVEYS WERE CONDUCTED IN BOTH DNV AND GL TO GATHER REGULAR INPUT FROM A REPRESENTATIVE SAMPLE OF EMPLOYEES IN ORDER TO ASSESS EMPLOYEE PERCEPTIONS OF THE MERGER AND MERGER-RELATED COMMUNICATIONS.

The proportion of female employees remained relatively stable, ending the year at 30%. DNV GL strives for the diversity in the workforce to be reflected at all management levels. A centralised management selection process was conducted for 790 positions across the new organisation during the second half of 2013. The recruitment process was designed to be fair, transparent and based on merit. Efforts were also made to ensure retention of the people DNV GL will need to lead the organisation through the continuing transition and years to come. Candidates from both companies were given equal opportunities, and there were no quotas, though diversity was emphasised as a criterion in the selection process.

In this process, 67% of the positions went to legacy DNV managers and 33% to legacy GL managers, which is representative of the size of the legacy organisations. The gender and age profiles of the managers appointed were also within expectations considering the profile of the legacy organisations. The proportion of female managers is now 19%.

In 2013, legacy DNV continued to use the People Engagement Process to identify issues in the work environment that should be addressed by management on different levels – from Group to local unit level. The annual survey results provide managers with actionable data on topics to prioritise, which are then measured again in the next year's survey. Despite the uncertainty in the organisation due to the forthcoming merger, the results of the survey conducted among legacy DNV employees in June 2013 showed an overall positive trend compared to 2012. Analysis showed a clear correlation between actions taken since the last survey and the impact on engagement and enablement across the organisation.

During the course of 2013, 'temperature check surveys' were conducted in both DNV and GL to gather regular input from a representative sample of employees in order to assess employee perceptions of the merger and merger-related communications. The results showed a strong commitment to making the merger a success and no major differences in the two legacy organisations' results were reported.

CORPORATE GOVERNANCE

The Board has decided to issue an annual corporate governance report based on the principles that apply to listed public limited companies in Norway. More information on DNV GL's corporate governance can be found in the separate report published on www.dnvgl.com/about-dnvgl/governance.aspx

CORPORATE RESPONSIBILITY

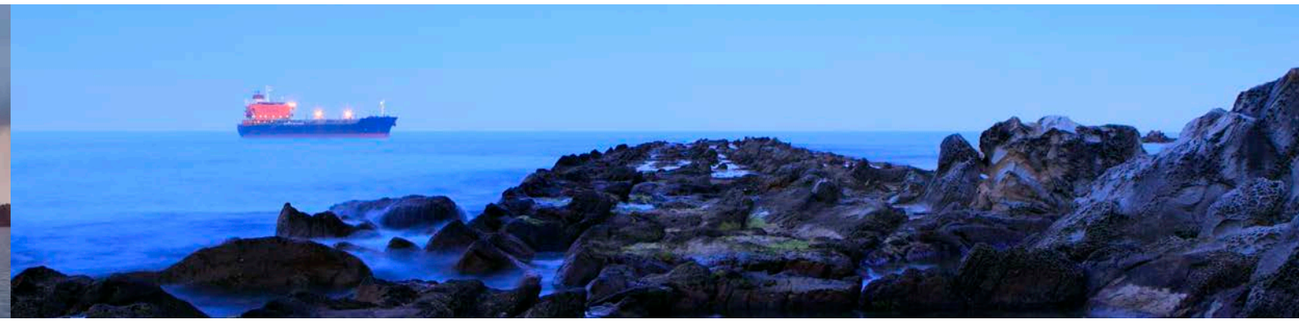
To DNV GL, being a responsible corporate citizen is about delivering long-term value in financial, social, environmental and ethical terms. Corporate sustainability is integral to DNV GL's purpose, vision, values and culture. DNV GL's commitment goes beyond compliance and is fundamentally about how the Group contributes, through its services and operations, to achieving a safe and sustainable future.

DNV GL continues to actively participate in the United Nations Global Compact, which was signed by DNV in 2003. DNV GL works systematically to implement the ten principles relating to human and labour rights, the environment and anti-corruption into its management system, culture and day-to-day operations worldwide. The Board of Directors strongly supports the company's efforts in these areas.

In 2013, it was a priority to further integrate corporate sustainability into businesses and operations. A strategic project was launched to clarify the meaning of DNV GL's corporate vision of 'global impact for a safe and sustainable future' and how the Group is to contribute to this vision through the services it provides to customers worldwide. The outcome of this work will be presented in 2014.

Following the merger, legacy corporate sustainability approaches were reviewed in order to prepare for the integration of the two organisations in this area too. There was a focus on integrating sustainability into the new company's policies, management system and training. A new Code of Conduct has been developed, defining standards for all DNV GL's business activities and providing all employees with guidance on ethical and responsible conduct in their daily decision-making. The Board of Directors and every employee are required to adhere to the Code of Conduct.

The merger also resulted in the DNV GL Corporate Sustainability Board being reconfigured to comprise functions with operational responsibility in all four DNV GL business areas. The Corporate Sustainability Board oversees the Group Corporate Sustainability Strategy and Tactical Plan and is responsible for supervising the implementation of projects in each business unit to ensure a systematic approach to sustainability across the company. The Corporate Sustainability Board is also responsible for monitoring progress towards objectives on an annual basis.



Openness and transparency are critical to protect and increase the public trust in and integrity of DNV GL. DNV GL is therefore committed to improving its reporting on sustainability risks and impacts. To this end, the company has launched an ambitious project to achieve an externally verified Global Reporting Initiative (GRI) 'Comprehensive' level for its sustainability reporting by 2015. To strengthen efforts to manage material risk and improve its reporting practices, legacy DNV underwent a wide-ranging materiality analysis and stakeholder dialogue in 2012 and 2013. The results have provided the basis for the company's continued focus on sustainability risk management and reporting to strengthen value creation for both the company and its stakeholders. A similar materiality assessment of legacy GL was conducted in late 2013 for the 2014 Annual Report.

HEALTH, SAFETY AND THE ENVIRONMENT

Fully integrated with the planning and execution of the DNV GL merger throughout 2013, the group-wide Health, Safety and Environment (HSE) management system has been re-shaped and further developed to fit the merged activities of the two parties. Building on the certification of the HSE management system to ISO 14001 and OHSAS 18001 in both legacy organisations, DNV GL led the organisation towards a common global approach to the execution of health, safety and environmental management using an efficient HSE management system, tools and processes.

The Synergi Life software tool for reporting, analysing and following up hazards and incidents has been implemented as an important means to encourage employee HSE awareness and organisational learning across the Group. Further roll-out of the tool, including purpose-made promotional material for improved processes across the new merged organisation, is seen as a key integration driver towards a strong common HSE culture.

"THE SUSTAINABILITY AND INNOVATION ASPECTS OF BUSINESS WILL ALSO INCREASE IN IMPORTANCE GOING FORWARD AND DNV GL WILL CONTINUE TO DEVELOP AND TAKE ON ROLES AND POSITIONS IN THESE AREAS.

To ensure the uniform handling of serious incidents involving employees, facilities, services or customers, a completely revised crisis management strategy and associated plans have been developed. The implemented plans will ensure that executive managers in the business areas and at Group level are informed about serious incidents without undue delay and that efficient and optimal problem-solving takes place during the initial phase after the incident, including adequate communications both internally and externally.

Both sick leave and the lost time accident frequency show a stable level from 2012 to 2013. Due to differences in performance measurement processes and indicators across the legacy GL and legacy DNV organisations, Group HSE results are reported separately for the legacy organisations for 2013. This will be aligned for common Group-wide reporting for 2014. For legacy DNV, the total sickness absence rate decreased from 2.2% in 2012 to 2.1% in 2013. The lost time accident frequency per million worked hours is stable and measured 2.0 for 2013. For legacy GL, no global sickness absence rate is available. The lost time accident frequency per million worked hours is estimated to be 0.9.

The 'WE Do' programme was continued in 2013 to enable employees to introduce measures to reduce emissions in their private lives. Permanent employees could select a project from an approved list and apply for a reimbursement of two-thirds of the project cost – up to a maximum amount of NOK 10 000 before taxes. NOK 40 million was set aside for the programme in 2013, NOK 7 million more than the 2012 amount due to the high level of employee engagement in 2013.

CORPORATE RISK MANAGEMENT

The Board of Directors acknowledges that the world has become more complex and the importance of continuously having a comprehensive understanding of the risks facing DNV GL that could affect corporate values, reputation and key business objectives. DNV GL has processes in place to proactively identify such risks at an early stage in order to initiate adequate risk mitigating measures and actions, assign roles and responsibilities and evaluate whether the residual risk is acceptable.

DNV GL's risk management policy is part of the management system and ensures that the risk management processes and culture are an integral part of everything the Group does. The policy is aligned with the ISO 31000 framework.

The Board formally reviews the risk management status and outlook twice a year. The risk review is conducted both as part of the strategic plan discussion from a long-term strategic point of view and as part of the discussion connected to the annual plan for the year ahead.

DNV GL calculates its risk capacity on an annual basis, taking into account the most important risk factors. Based on risk methodology, the analysis includes potential losses from normal operations, foreign exchange exposure, financial investments and pension plans assets and liabilities. Given a minimum equity ratio requirement of 30%, the risk capacity analysis indicates the amount of additional debt that could be raised. This exercise gives the Board of Directors a quantitative overview of the key quantified risks and of DNV GL's capacity to take on additional risk.

In 2013, a number of key risks were discussed at Board meetings. One of these was the effect of the volatility in the financial markets on DNV GL's pension commitments. The present low interest rate environment has over several years led to a marked increase in the pension accruals.

A second focus area was the integration process between legacy DNV and legacy GL operations. This affected all levels of the organisation and was monitored closely throughout the year. This work is ongoing and a special Group COO-driven integration project is coordinating and supervising the process.

Furthermore, DNV GL views class services' increasingly fierce price competition in a sluggish shipping market as a risk to the class concept itself, in the sense that the primary role of class to enhance safety could be jeopardised by commercial interests.

The risk of serious quality issues in DNV GL represents another focus area. Numerous barriers exist to minimise the chance of such events occurring and DNV GL's quality management system is constantly being scrutinised to ensure that the company is managing this risk in a satisfactory manner.

OUTLOOK

In general the financial situation in the world has improved over the past 12 months. The volume of international trade is picking up and the world is consuming more and more energy. Globalisation is continuing, with few signs of national or regional protection measures being introduced.

In spite of this, the Board of Directors believes that shipping will continue to face a challenging period ahead. The excessive contracting of new ships has created a surplus of ships to be delivered and fleet growth is in excess of trade growth. The capacity/demand balance is not expected to be fully re-established in the shorter term, leading to a slow recovery in newbuilding prices and second-hand ship values, increased scrapping, depressed freight and charter rates and price pressure on all service providers to the industry, including classification societies.

In the oil and gas sector, the trend towards increased production from deep and ultra-deep offshore fields continues, with growing markets in Brazil, the Gulf of Mexico, Australia, South East Asia and Africa. The new discoveries on the Norwegian continental shelf have resulted in some optimism compared to several years ago, but this has cooled down somewhat due to high cost levels, changes in taxes and depressed cash flows for some of the key players. Despite price uncertainties, the need for energy will keep on increasing. Fossil fuels – oil, gas and coal – will persist as the main source of energy, but other sources, many of them renewables, will grow faster.

Investments in the energy sectors will continue and will create many opportunities for DNV GL in the coming years within both the oil & gas and broader energy sectors. The merged company has a significantly improved overall position within the TIC industry and a stronger service and competence platform. DNV GL is a robust player in all segments: maritime, oil and gas, business assurance and energy, where it has a focus on renewable energy, electricity transmission & distribution and sustainable energy use.

The sustainability and innovation aspects of business will also increase in importance going forward and DNV GL will continue to develop and take on roles and positions in these areas.

The Board of Directors believes that DNV GL's performance in 2013 demonstrates that the Group has the global positions, broad competence and resource base that will be required in order to provide its customers with the right guidance and support in an increasingly complex business environment.

THE BOARD OF DIRECTORS OF DNV GL GROUP AS, HAMBURG, 24 APRIL 2014

LEIF-ARNE LANGØY CHAIRMAN	GÜNTER H. W. HERZ VICE CHAIRMAN	SILLE GRJOTHEIM	REBEKKA GLASSER HERLOFSEN	CLEMENS KEUER
JOHANNES LAFRENTZ	CHRISTELLE G. V. MARTIN	DAVID MCKAY	METTE BANDHOLTZ NIELSEN	C. THOMAS REHDER
J. HINRICH STAHL	ODD E. SUND	HILDE M. TONNE	MORTEN ULSTEIN	HENRIK O. MADSEN GROUP PRESIDENT & CEO

BOARD OF DIRECTORS – DNV GL GROUP AS

CREATED FROM TWO HIGHLY RESPECTED COMPANIES WITH PARALLEL HISTORIES SPANNING 150 YEARS, DNV GL NOW PROVIDES AN EVEN BROADER VIEW, ENABLING ITS CUSTOMERS TO MAKE THE WORLD SAFER, SMARTER AND GREENER.

REBEKKA GLASSER HERLOFSEN

Norwegian **BORN:** 1970 **POSITION:** Group CFO in the Torvald Klaveness Group **EDUCATION:** Norwegian School of Economics and Business Administration (MSc) **MEMBER OF THE DNV GL BOARD:** since June 2013 **DIRECTORSHIP(S) OUTSIDE DNV GL:** DNV*, Vice Chairman Cermaq ASA, Regional board member Handelsbanken Norge, various Klaveness Group companies (15)

J. HINRICH STAHL

German **BORN:** 1968 **POSITION:** Managing Director of Maryland GMBH **EDUCATION:** Business Administration at University of Trier, MBA at INSEAD **MEMBER OF THE DNV GL BOARD:** Since September 2013 **DIRECTORSHIP(S) OUTSIDE DNV GL:** Vice Chairman of Vapiano SE

LEIF-ARNE LANGØY

Norwegian **BORN:** 1956 **POSITION:** Managing Director LAPAS AS **EDUCATION:** Norwegian School of Economics and Business Administration **MEMBER OF THE DNV GL BOARD:** Since June 2010, Chairman since June 2011 **DIRECTORSHIP(S) OUTSIDE DNV GL:** Chairman of the DNV* Board, Chairman of Kværner ASA, Chairman of Sparebanken Møre, Vice Chairman of The Resource Group AS (TRG) and Member of the Board of Farstad Shipping ASA and of Istad AS

CHRISTELLE G. V. MARTIN

French **BORN:** 1960 **POSITION:** GDF SUEZ Director, Advisor to the Executive Vice Chairman since February 2013 **EDUCATION:** graduated from Paris-Dauphine University (MBA 1983) and from the International Executive MBA 2009 HEC, London School of Economics and New York Stern (Trium) **MEMBER OF THE DNV GL BOARD:** Since June 2013 **DIRECTORSHIP(S) OUTSIDE DNV GL:** DNV*, GDF SUEZ Energies Services since June 2011, Fondation Paris Dauphine since 2009

GÜNTER H. W. HERZ

German **BORN:** 1940 **POSITION:** Chairman of the Board of Directors of Mayfair Vermögensverwaltungs SE, Germany **MEMBER OF THE DNV GL BOARD:** Vice Chairman since September 2013 **DIRECTORSHIP(S) OUTSIDE DNV GL:** Chairman of the Board of Mayfair Vermögensverwaltungs SE, Germany

MORTEN ULSTEIN

Norwegian **BORN:** 1953 **POSITION:** Managing Director of Borgstein AS **EDUCATION:** Rolls Royce Business Leadership Program, 2000. Training programs at IMD, Lausanne. The University of Trondheim, The Norwegian Institute of Technology, Master of Science in naval architecture and marine engineering 1973-77 **MEMBER OF THE DNV GL BOARD:** Since June 2011 **DIRECTORSHIP(S) OUTSIDE DNV GL:** Vice Chairman of the DNV* Board, Chairman of the Island Offshore Group of companies and various directorships in private as well as publicly listed companies

JOHANNES LAFRENTZ

German **BORN:** 1971 **POSITION:** Director of Maryland GMBH **EDUCATION:** Business Administration at Technical University of Berlin, CPA Chicago Illinois **MEMBER OF THE DNV GL BOARD:** Since September 2013 **DIRECTORSHIP(S) OUTSIDE DNV GL:** Member of the Board of Marorka ehf., Iceland

HILDE M. TONNE

Norwegian **BORN:** 1965 **POSITION:** Executive Vice President, Telenor Group **EDUCATION:** M.Sc., NTH Trondheim, Norway and RWTH Aachen, Germany **MEMBER OF THE DNV GL BOARD:** Since 2008 **DIRECTORSHIP(S) OUTSIDE DNV GL:** DNV*

C. THOMAS REHDER

German **BORN:** 1956 **POSITION:** Managing partner of Carsten Rehder GmbH & Co KG **EDUCATION:** Business Studies at European Business School, Frankfurt **MEMBER OF THE DNV GL BOARD:** Since 2009 **DIRECTORSHIP(S) OUTSIDE DNV GL:** DNV*, President European Community Shipowners Association, Member of the Council of German Shipowners Association

DAVID MCKAY

British **BORN:** 1963 **POSITION:** DNV GL Chief Surveyor Offshore North America, based in Houston, Texas **JOINED DNV GL:** 1990 **EDUCATION:** B. Sc. Naval Architecture, University of Strathclyde, 1985 **MEMBER OF THE DNV GL BOARD:** Deputy since January 2014, elected by the employees world-wide, excluding Norway, Germany and Europe. Has previously served as member of the Board in 2006–2008 and deputy member of the Board of Directors in 2002, 2010–2011 **DIRECTORSHIP(S) OUTSIDE DNV GL:** DNV*

SILLE GRJOTHEIM

Norwegian **BORN:** 1970 **POSITION:** DNV GL Head of Section Rules and Standards (Norway) **EDUCATION:** M.Sc. – metallurgical/corrosion engineer **MEMBER OF THE DNV GL BOARD:** Since 2007, elected by the Norwegian employees **DIRECTORSHIP(S) OUTSIDE DNV GL:** DNV*

CLEMENS KEUER

German **BORN:** 1959 **POSITION:** DNV GL Head of Maritime Applications **EDUCATION:** Diplom-Informatiker (comparable to Master of Computer Science) **MEMBER OF THE DNV GL BOARD:** Since 2013, elected by the employees in Germany **DIRECTORSHIP(S) OUTSIDE DNV GL:** None

METTE BANDHOLTZ NILSEN

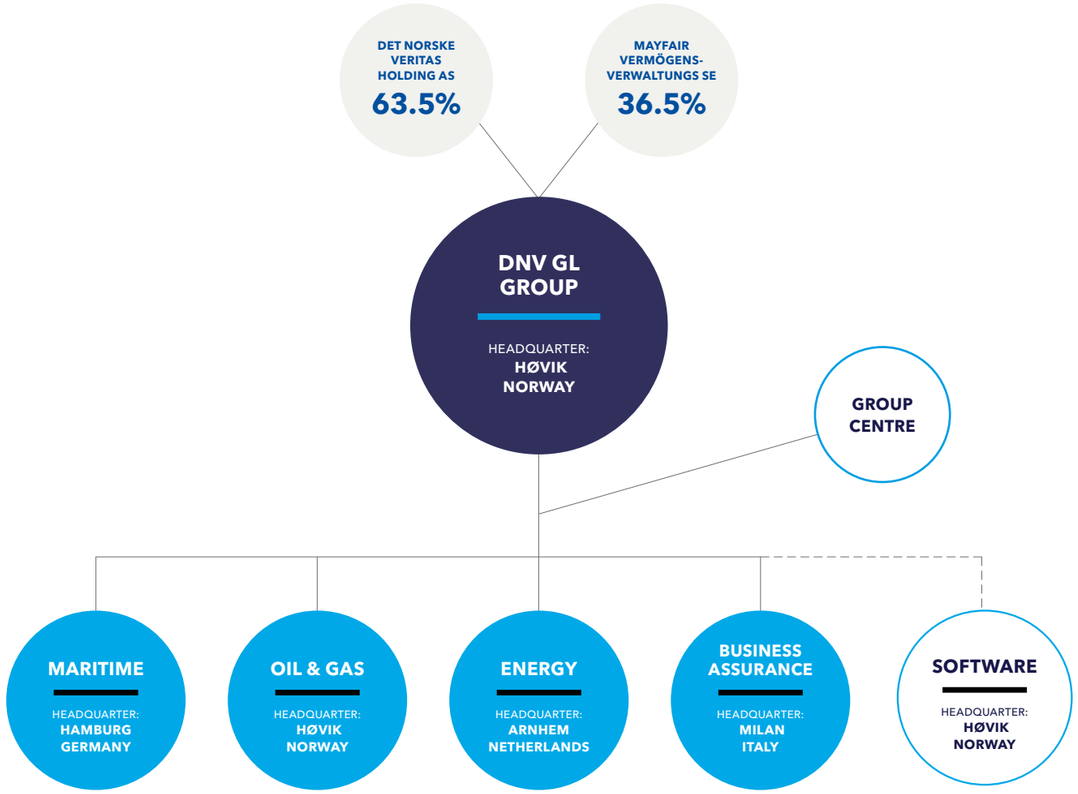
Danish **BORN:** 1963 **POSITION:** DNV GL Senior Support Specialist Oil & Gas (Denmark) **EDUCATION:** Bachelor, technical and legal English **MEMBER OF THE DNV GL BOARD:** Since 2011, elected by the European employees outside Norway **DIRECTORSHIP(S) OUTSIDE DNV GL:** DNV*

ODD E. SUND

Norwegian **BORN:** 1957 **POSITION:** DNV GL Principal engineer (Norway) **EDUCATION:** Engineer, Oslo Ingeniørhøgskole, OIH, Materials, 1980 **MEMBER OF THE DNV GL BOARD:** Since 2009, elected by the Norwegian employees **DIRECTORSHIP(S) OUTSIDE DNV GL:** DNV*

* DNV = Member of the Board of Stiftelsen Det Norske Veritas and Det Norske Veritas Holding AS

ORGANISATION



GROUP STRUCTURE

DNV GL is structured into four business areas:

- DNV GL – Maritime
- DNV GL – Oil & Gas
- DNV GL – Energy
- DNV GL – Business Assurance

In addition, we have:

- DNV GL – Software (independent business unit)
- Global Shared Services
- Group Centre

CORPORATE GOVERNANCE

DNV GL Group is a direct continuation of the two legacies, the DNV group and the GL group. The two legacies were merged through a combination agreement in September 2013 and combined to form the DNV GL Group headquartered at Høvik, Norway.

MANAGEMENT

The Executive Committee, which is the Group CEO's management team, was expanded after the merger to include 11 people. The Executive Committee deals with issues and decisions related to strategy, budgeting, financial development, investments, mergers and acquisitions, pricing strategy, major management appointments, markets and customers.

dnvgl.com/about-dnvgl

THE EXECUTIVE COMMITTEE

HENRIK O. MADSEN

Group President & CEO

REMI ERIKSEN

Group Executive Vice President & COO

THOMAS VOGTH-ERIKSEN

Group Chief Financial Officer

CECILIE HEUCH

Group Chief HR Officer

ELISABETH TØRSTAD

CEO of Oil & Gas

TOR SVENSEN

CEO of Maritime

KNUT ØRBECK-NILSSEN

President of Maritime

DAVID WALKER

CEO of Energy

LUCA CRISCIOTTI

CEO of Business Assurance

JOACHIM SEGATZ

Global Shared Service Officer

LUTZ WITTENBERG

Group Chief Technology Officer

THE HISTORY

From its deepest roots in the maritime sector, DNV GL has been promoting safety, providing innovation, and protecting the environment for 150 years. Always adding new dimensions to its business, DNV GL expands its horizons by offering customers a broader view.

1864

MARITIME

Det Norske Veritas (DNV) is established by Norwegian insurance companies as a national alternative to foreign classification societies.

1867

Germanischer Lloyd (GL) is founded in Hamburg by a group of 600 shipowners, shipbuilders and insurers.

1870

Steamships are introduced in the 1870's, and most of the sail ships are phased out by the 1920's.

1872

Samuel Plimsoll starts the process leading to the compulsory load lines on every British ship, put into force in 1891.

GL Headquarters moved to Berlin, where they will remain until 1945.

1864–80

First phase of growth, both in shipping in general and in the DNV-classed fleet.

1883–88

1883: Norway has the third largest fleet in the world, measured in registered tonnage.

1888: First DNV surveyor stationed in China.

1893: GL adds its first motorised ship, the gaff schooner Frieda, to the registry.

1900–10

1900: Close to 100% of the DNV-classed ships were for Scandinavian shipowners.

1907: DNV loosens its ties to the insurance clubs and becomes a regular certification and classification society.

1900–12

1910: The Norwegian parliament votes on regulations for compulsory Norwegian load lines.

1912: Following the Titanic disaster, safety at sea becomes the subject of increasing public concern, and grows from simply safeguarding the ship to safeguarding passengers.

1914

The first International Convention for the Safety of Life at Sea (SOLAS) is adopted in response to the sinking of the Titanic.

GL has some 10% of the world's merchant fleet in class.

1920

From 1920 to 1940, diesel engines are introduced as propulsion on new ships. DNV is quick to adopt this new technology and 'engineering surveyors' are recruited.

1927

KEMA is established as the Dutch electricity industry's Arnhem-based test house by provincial and large municipal authorities that own electricity companies and a number of private power generators.

1927

Working as part of the Association of International Registers, GL adds the classification of non-military aircraft to its activities. This lasts until the end of Second World War.

1938

As the Netherlands' electricity infrastructure continues to develop, KEMA grows with it. In the 1930s, the short-circuit lab is built to carry out tests at high voltages.

1940

During the Second World War, DNV is divided in two; one half in Newcastle, UK, and one half remained in the occupied Norway. This leads to a close co-operation with Lloyd's.

1945

After the war, this co-operation culminates in a proposal by Lloyd's to buy DNV, and thereafter to a liberalisation process in DNV and the work aimed at developing new class rules. The co-operation between Lloyd's and DNV is subsequently terminated in 1952.

1945–49

1945: A provisional GL headquarters is established in Hamburg, following the loss of the Berlin HQ.
1949: The decision to return to Hamburg is made permanent.

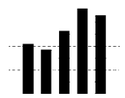
1948: The International Maritime Organisation (IMO) is created.

1951

Georg F. Vedeler is appointed managing director of DNV. He introduces a scientific approach to ship construction. His vision is to build safer ships in a more profitable way.

1953

As the first classification society to do so, DNV publishes new rules, based on an analytical and theoretical scientific approach.



1954

DNV takes a significant and pioneering step by establishing a dedicated Research department.

1964

DNV is finally united in one headquarters. The DNV fleet grows to almost 20 million gross tonnes (GT), twice as much as in 1960.

GL is the first classification society to develop rules, new test methods and a class notation AUT, for unattended machinery spaces.

1967–68

1967: The golden age for both shipping and DNV. The internationalisation and expansion of the Society takes off.

1968: Foundation of IACS in Oslo, GL holds the chairmanship for the first two years of the association's existence.

ENERGY

1969

KEMA already possesses the biggest short-circuit laboratory in the world and starts the construction of a new lab, still known today as the world's biggest short-circuit laboratory.

1970

DNV enters the oil business, in both the offshore installations and cargo sectors, including pipelines and vessels. This develops into a new important market.

1973–76

GL begins to provide technical services to the oil and gas industry, including assessing the design and supervising the installation of the 'Nordsee' offshore research platform and the first German oil platforms.

1975–79

The Berge Istra **(1975)** and Berge Vanga **(1979)** accidents occur.

1977: Wind energy services are first added to GL's portfolio.

1978: DNV becomes an independent foundation.

INTERNATIONALISATION:

1980

The Alexander Kielland platform disaster in the North Sea. Regulations are subsequently improved.

1984

Based on analysis harnessing the increasing power of computers, GL introduces the COLL notation, the first which indicates the collision resistance of a ship.

1981

DNV Petroleum Services is established adding marine fuel management to DNV's expertise.

CERTIFICATION

1989–90

The fall of the Berlin wall unites the East German class society DSRK, founded after the separation of Germany, with GL.

1990

The ISO standards are introduced and DNV quickly grows its management system certification activities.

KEMA expands its activities internationally and acquires ABB's Powertest laboratory in Chalfont, in the United States.

1997

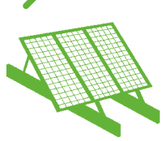
Managing Risk is introduced as DNV's corporate promise, reflecting DNV's core competence of identifying, assessing and managing risk.

2002

The number of DNV-classed vessels passes 5,000.

2004

SUSTAINABILITY



DNV becomes the first company to be accredited by the United Nations Framework Convention on Climate Change to validate climate change mitigation projects under the CDM (Clean Development Mechanism) scheme.

2004

Risk Based Certification introduced, representing a revitalisation of management system certification.

2005

DNV acquires Cortest Columbus Technologies (CCT) – specialising in corrosion control, pipeline and plant integrity analyses and material evaluation for the pipeline industry.

2007–09

GL acquires Helimax, Windtest and merges with Garrad Hassan creating the world's largest renewable energy consultancy.

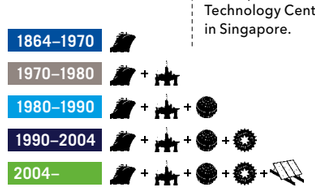
2008

DNV acquires Global Energy Concepts, a US based wind power consulting firm with 95 employees.

DNV approved to accredit hospitals in the US.

2009

KEMA acquires Gas Engineering Services from Gasunie and sells part of its testing and certification activities to the German company DEKRA.



2010

DNV acquires Behnke, Erdman and Whitaker Engineering (BEW) to strengthen its position within solar, wind, power transmission and grid integration.

DNV opens Clean Technology Centre in Singapore.

2010

The Deepwater Horizon accident in the Gulf of Mexico.

The launch of GL Noble Denton, the new company formed after the merger of oil and gas independent technical advisor with GL.

2011

Report is submitted with DNV's conclusions of its forensic examination of the Deepwater Horizon blowout preventer.

DNV acquires 74.3% of the shares in KEMA, creating a world-leading consulting and certification company within the cleaner energy, sustainability, power generation, transmission and distribution sectors.

2012

DNV Group is established with three separate operating companies: DNV Maritime and Oil & Gas, DNV Business Assurance and DNV KEMA Energy & Sustainability.

DNV and GL announce merger agreement.

2013

On 12 September, the DNV and GL merger is official. The first ever merger of two IACS classification societies creates the world's largest fleet in class of some 260m GT. The new organisation boasts some 16,000 employees worldwide, offering leading services across many industries, including the maritime, oil and gas, renewable energy and business assurance sectors.

WHAT WE DO

We enable our customers to turn risks into rewards by helping them to identify, assess and manage their most critical risks. That includes assisting customers in balancing a wide range of technical, operational, business and societal aspects to optimise performance.

In addition, we verify or certify compliance with standards, rules and regulations in order to safeguard life, property and the environment. As such, we perform a balancing act between business and society.

- Maritime
- Oil & Gas
- Energy
- Business Assurance
- Software
- Research & Innovation

TECHNOLOGY FORESIGHT

The maritime industry is under continuing pressure to adapt – to become more energy efficient and more environmentally responsible, all without compromising on safety. Increased regulatory scrutiny and escalating competition require us to change the way we think about our technologies, our operations, and how we do business.

DNV GL is helping our customers to meet these challenges with innovative solutions, technical competence, and expert leadership, helping the maritime industry and the world to become safer, smarter and greener.

COMMITMENT TO INNOVATION. With a 23% market share of the world's classed ships and mobile offshore units by gross tonnage, DNV GL is now the world's leading ship and offshore classification society. The group combines two major innovation clusters and has committed itself to investing 5% of its annual revenue in R&D, including long-term, strategic research.

By placing innovation at the centre of its strategic philosophy, DNV GL aims to improve safety, increase efficiency and enhance sustainability. Projects underway in 2014 will focus on optimising energy use in both design and operation, reducing shipping's impact on the environment by cutting emissions to air, making operational and safety gains through improved IT processes, data gathering and analysis, and minimising incidents at sea through more use of risk based rules.

The new knowledge and insight gained through these projects will not only give us a more detailed view of the technological, regulatory and operational challenges faced by our customers, but will also provide the solutions that will help our customers to power their future business.

OPERATIONAL SOLUTIONS FOR ENHANCED EFFICIENCY. DNV GL's new Route Specific Container Stowage (RSCS) notation is already helping boxship operators boost efficiency by giving them enhanced flexibility in loading and stowage. The first of its kind, the RSCS notation enables operators to load more containers on deck, accelerate cargo operations in ports and maintain a higher degree of loading flexibility, while maintaining safety levels. DNV GL developed the new class notation for route specific container stowage, based on long-term statistical data on the wave conditions of many different shipping routes.

This notation allows an operator to implement container stowage schemes that take into account the variance in sea conditions on the particular sea route of an individual vessel. It is built around the realistic determination of route specific loads on the deck containers and their lashing systems, and provides container lines with a low cost option for increasing profitability without affecting safety.

For several years, DNV GL's award-winning, state-of-the-art trim optimisation tool, ECO Assistant, has been helping ship owners and operators to reduce their fuel bills. The tool uses a comprehensive database of ship-specific resistance and propulsion data for thousands of possible operating conditions. Once the vessel's speed and displacement are entered, ECO Assistant can immediately calculate the optimal trim and indicate the expected savings.

In 2013, DNV GL released ECO Assistant 4.0 which takes trim optimisation even one step further. New features including a Fuel Calculator for benchmarking and tracking of the fuel performance, a Reporting Tool for monitoring trim performance, and an e-learning module to accelerate familiarity with the system, have been developed with industry partners in over 600 installations, while delivering savings of more than 150 million US dollars in bunker costs.

TRANSPARENT SAFETY. The offshore industry is continually moving into deeper water, harsher environments and is making increased use of subsea installations. To ensure that the latest best practices and innovations are available industry wide, DNV GL has released a new version of its Classification Rules for mobile offshore units. Released in May 2013, the Classification Rules for mobile offshore units were launched in a new enhanced and restructured form to help customers gain a clear understanding of the technical requirements for these structures.

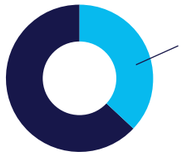
> **"WITH A 23% MARKET SHARE OF THE WORLD'S CLASSED SHIPS AND MOBILE OFFSHORE UNITS BY GROSS TONNAGE, DNV GL IS NOW THE WORLD'S LEADING SHIP AND OFFSHORE CLASSIFICATION SOCIETY.**

Following a period of stakeholder consultation and feedback the rules were further updated and published in November. They are designed to offer maximum transparency, including interpretations of the requirements to aid in their application through the design, construction and operation of the asset. These interpretations also simplify the use of alternative design solutions, as the interpretations reference alternatives, thereby supporting the approval process.

Advanced drilling techniques such as managed pressure drilling, a system for controlling the mud pressure in the reservoir, are becoming more prevalent on floating offshore units. Therefore, the rules also include the industry's first set of requirements for managed pressure drilling systems, including definitions of the associated safety systems and requirements for well barriers and drawworks.

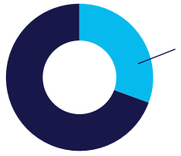
In the new Winterization for Cold Climate offshore standard, part of the enhanced rule set, functional and performance-based requirements have been added to the pre-

REVENUE: MARITIME'S SHARE OF TOTAL



5,700
NOK MILLION

EMPLOYEES: MARITIME'S SHARE OF TOTAL



4,924
EMPLOYEES

no.1

DNV GL is now the world's leading ship and offshore classification society.

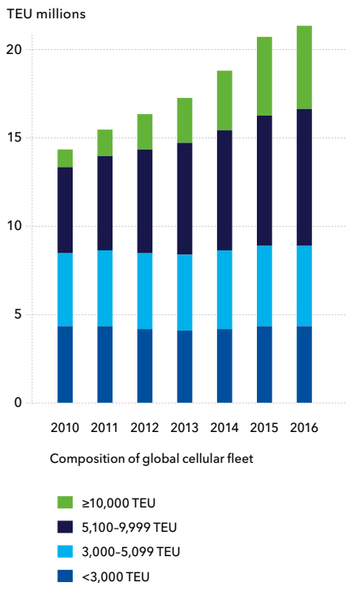
23%

market share of the world's classed ships and mobile offshore units – measured in gross tonnes.

13,713

seagoing and inland vessels were classed by DNV GL at the end of 2013.

FIGURE 01 **BURGEONING BOXSHIPS**
AVERAGE CONTAINERSHIP SIZE CONTINUES ITS UPWARD TREND



scriptive rules. This allows owners increased flexibility when selecting the winterisation level and winterisation temperature.

Furthermore, DNV GL now offers the optional Enhanced Systems (ES) class notation for MOUs, indicating that the structure complies with standards above IMO/IACS safety levels. The added requirements of the ES notation offer owners a clear point of differentiation in the market, demonstrating their commitment to enhanced safety and increased reliability.

FUEL OF THE FUTURE. With the shipping industry facing strict emission limits in Emission Control Areas (ECAs), DNV GL has been providing support to yards, owners, flag states and governments in practically every aspect of air emission reduction. In particular, studies conducted by DNV GL and its industry partners have shown the adoption of LNG as ship fuel to be not only an environmentally viable option, but an economically attractive one as well.

Rising bunker prices mean that by 2015, as much as 80% of the daily costs of owning and operating a vessel could be from fuel. In the meantime, LNG prices are projected to remain competitive with low sulfur fuel (MGO) for the lifetime of ships entering the market today.

There are now more than 100 non-gas carrier LNG fuelled vessels either in operation or planned. Combined with a number of infrastructure projects underway, there is a clear wave of support building for LNG as a ship fuel.

With the infrastructure for regional and international bunkering rapidly expanding, and with comprehensive rules for operation close to realisation, DNV GL is advising owners to take a long look at the suitability of their vessels for LNG operation.

DNV GL's new service LNG Ready guides owners through the process of assessing the technical and commercial feasibility of constructing their newbuildings to run on LNG, or having the option to easily convert at a later date. For existing vessels as well, DNV GL can assess the risks and opportunities of switching the machinery over to LNG operation.

DNV GL experts have also developed installation, bunkering and conversion guidelines, and offer advice on the available options for both newbuilding and conversion projects.

The question now is not whether LNG will become a major fuel for shipping, but when, and working with a partner with a proven track record is essential. LNG Ready brings together all of DNV GL's expertise and ensures that decisions made today are the right ones for tomorrow. □

OTHER ACHIEVEMENTS IN 2013

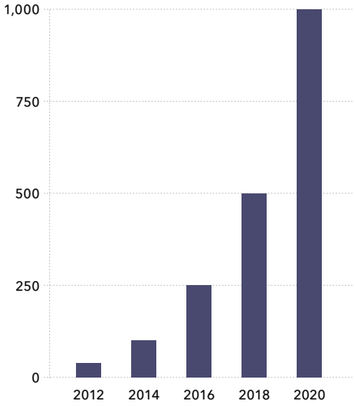
■ **NEWBUILDINGS**. DNV GL continues to be the home of the boxship. In May, a classification agreement was signed with Hyundai Heavy Industries (HHI) for the construction of five 18,400 TEU containerships for China Shipping Container Lines. Following on the heels of this, United Arab Shipping Company (UASC) chose DNV GL for its largest ever order – six 18,000 TEU and eleven 14,000 TEU vessels, again to be built by HHI. The UASC newbuildings will also be LNG Ready with hydrodynamically optimised hulls and propulsion systems for efficient operation.

■ **HULL MAINTENANCE.** Hapag-Lloyd implemented GL HullManager as their central monitoring and reporting tool for hull maintenance activities. GL HullManager provides ship owners, managers and operators hull inspection and thickness measurement support. Ship owners can use the system to plan, track and implement the inspection strategies for their fleet, reducing repair costs, demonstrating regulatory compliance and streamlining internal processes.

■ **GREEN DOLPHIN**. In 2013, DNV GL cooperated with SDARI on the design of a second *Green Dolphin* handymax bulk carrier. More than 80 orders and optional contracts have been placed for the design at many Chinese yards. The new design has an EEDI rating 20% below the IMO reference line for bulk carriers and is prepared for shaft torque and fuel consumption monitoring systems that support SEEMP and EEOI requirements.

■ **BATTERY OR HYBRID VESSELS.** The first hybrid offshore supply ship, the DNV GL classed, *Viking Lady*, was equipped with a lithium-ion battery pack in 2013. The battery systems works alongside the vessel's LNG duel fuel engine and fuel cell power package. When operating on battery power in harbor or in dynamic positioning mode, the hybrid energy system offers a 20 to 30% reduction in fuel consumption and CO_2 emissions through smoother and more efficient operation between the engines and the fuel cell.

FIGURE 02 **GROWTH OF THE LNG FUELLED FLEET**
DNV GL PREDICTS A SURGE IN ORDERING OF LNG FUELED VESSELS



A CHANGING LANDSCAPE

Growth in the oil and gas industry remains strong, driven by rising demand for energy and supported by robust investment in a number of high profile projects. Production from aging assets continues beyond expected design life. However, industry confidence is weakening in the face of shortages of skilled personnel and rising costs. In this changing environment, DNV GL's approach helps customers to make informed decisions.

In the past year, DNV and GL have worked closely with a broad range of industry stakeholders to develop solutions to help customers deliver on growth and meet society's expectations of safer, smarter and greener operations.

SMARTER WAYS OF WORKING. Helping customers perform on time, on budget and to quality standards was a key focus for DNV GL last year. In 2013, DNV GL further deepened its capacity to support operators in the delivery of mega projects, such as Ichthys LNG, Kanowit FLNG, Mariner heavy oil development and Martin Linge. Another example is Statoil's contract award to verify the design and construction of three platforms, including the Aasta Hansteen, the world's largest spar platform, which includes a number of new technologies.

Work to classify Total's first tension leg platform (TLP) for the Moho Nord Phase 2 project began in 2013. DNV GL has been involved since the early concept development phase and has conducted extensive independent verification for Total's TLP Project.

Among other projects, in 2013 DNV GL acted as an independent third party for Enbridge to assess and verify compliance with regulatory requirements for Canadian and American regulators and provided ongoing pipeline integrity management support and laboratory services.

DNV GL also provided Marine Warranty Surveyor (MWS) services to Total E&P Angola for the sail-away approval of CLOV FPSO transportation from Korea to Angola.

COLLABORATIVE INNOVATION. DNV GL initiated a number of projects with customers in 2013 to help the industry manage both project and operational costs. The company established a Joint Industry Project (JIP) to help the subsea industry develop a best practice approach to speed up deliveries of large steel forgings used for key components in subsea construction. The project will result in improved material quality and reduced delivery time and production costs.

DNV GL is also working with the industry to capture more knowledge about how pipelines can safely withstand the pressures of 3,000 metres depth without prohibitive cost.

To help the industry manage risks throughout the project's lifecycle, DNV GL has initiated a JIP to deal with the risks in the design, development and operation of sour gas fields.

STRENGTH ACROSS THE GAS VALUE CHAIN. Gas is becoming increasingly important in the energy mix. DNV GL is aiming for significant business growth throughout the gas value chain both on- and offshore. Post-merger, the company is well placed to offer the industry increased breadth of services across the entire gas value chain and asset lifecycle.

In 2013, DNV GL secured design verification of Process Safety in Design for BG Group's Lake Charles LNG plant in the US. DNV GL and Korea Gas Corporation (KOGAS), Korea's national gas company, are cooperating on a feasibility study on the establishment of an LNG bunkering infrastructure in South Korea; one of the largest and most comprehensive feasibility studies ever initiated in the global LNG bunkering industry.

DEEPER SAFETY CULTURE TAKING ROOT. In 2013, the EU published new legislation on the safety of offshore oil and gas operations. In response, DNV GL published a report 'Enhancing offshore safety and environmental performance' offering guidance to create a safer offshore working environment. The report compiles DNV GL's combined global experience analysing major accidents and studies key factors necessary for improved offshore safety and the management of the associated risks.

DNV GL assisted in improving the Health, Safety, Environment & Quality (HSEQ) Performance of Contractors for National Grid in the UK, thereby reducing their liability and providing better protection for the workforce, public and environment. The project has been nominated for the National Grid Chairman's Award for Safety.

Improving safety culture by increasing workforce involvement in the management of Major Accident Hazards (MAHs) was a new project in 2013. In the UK, DNV GL became the first accredited provider of a new advanced training programme for Elected Safety Representatives (ESRs).

In Egypt, DNV GL won a project with Rashid Petroleum Company (RASHPETCO), a BG affiliate, to re-HAZOP all their offshore & onshore gas processing facilities.

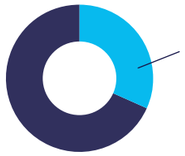
In South East Asia, DNV GL has advised government authorities administering an energy hub on developing a gas safety framework covering the complete gas value chain from production through to utilisation.

EXCEPTIONAL PEOPLE, OUTSTANDING COMPETENCE. DNV GL's approach to creating safer projects and operations is hands-on, practical and collaborative.

In the UK, at GL Noble Denton's Spadeadam test facility, nearly 100 Hazard Awareness Courses were run last year, including some for company board members as well as for engineers. Following the

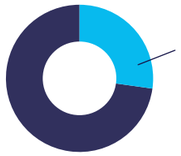
> **"HELPING CUSTOMERS PERFORM ON TIME, ON BUDGET AND TO QUALITY STANDARDS WAS A KEY FOCUS FOR DNV GL LAST YEAR.**

REVENUE: OIL & GAS' SHARE OF TOTAL



4,219
NOK MILLION

EMPLOYEES: OIL & GAS' SHARE OF TOTAL



4,422
EMPLOYEES

65%

of the world's offshore pipelines are now designed, installed and operated to DNV GL's pipeline standard.

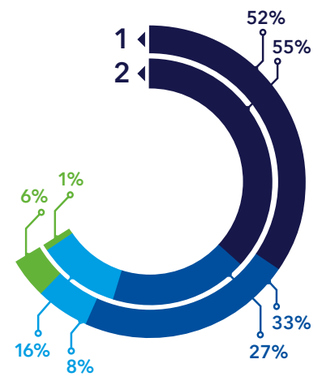
36 JIPs

initiated in 2013 to develop industry best practices and find new technical solutions to common industry issues.

170

DNV GL has over 170 oil and gas industry standards and recommended practices.

FIGURE 03 **A PUSH TOWARDS STANDARDISATION**
DNV GL INDUSTRY OUTLOOK SURVEY, NOVEMBER–DECEMBER 2013



1. The industry will increasingly push suppliers to standardise their delivery globally.

2. The industry will increasingly be characterised by larger, global players, both in terms of operators and their suppliers.

Buncefield fuel storage incident, a team of world-class safety experts investigated the explosion mechanism, improving industry understanding of the consequences of fuel spillages at such facilities.

In addition to scheduled public courses, standard and customised technical and management training covering a broad range of oil and gas related competencies is offered by DNV GL to meet customer needs.

Knowledge transfer was the focus for a knowledge management programme with Shell to help executives and managers identify, safeguard and retain critical competence and transfer knowledge in their global business.

AGING INFRASTRUCTURE. Continuous improvement of oil and gas recovery and new discoveries close to existing infrastructure extend field life – often well beyond the initial design life of the infrastructure in place – requiring solutions to maintain asset integrity. DNV GL works extensively with industry stakeholders to ensure continued safe operation of mature assets.

In India, legacy DNV was contracted to help ONGC safely extend the life of 34 offshore platforms and implement a Risk Based Inspection programme for the maintenance of these facilities throughout the extended life. In Qatar, RasGas entrusted DNV with the task of setting up its Structural Integrity Management system for all 24 offshore structures, including software and analysis services.

In the UK, GL Noble Denton successfully renewed and expanded its contract with BG Group to provide structural integrity management services to BG Group's North Sea assets, including the Everest, Central Area Transmission System riser and Lomond platforms. Such services are crucial to the safety, upkeep and future performance of oil & gas assets.

WELL POSITIONED FOR 2014. DNV GL has increased its scale, scope and skills as a result of the merger. With 4,422 oil and gas experts able to solve the most complex technical issues, DNV GL is well positioned to improve safety, reliability and performance in projects and operations globally. The first few months of joint operations quickly proved that DNV and GL Noble Denton were highly complementary. DNV GL will together be able to cover the entire life cycle and have a true global reach with a substantial presence in all hydrocarbon centres in the world. An example of our ability to deliver broad integrated projects is the Bonaparte FLNG project in Western Australia, where DNV GL is validation partner, confirming our position as a global leader in this expected growth market. □

OTHER ACHIEVEMENTS IN 2013

■ **ENHANCED CLASSIFICATION RULES FOR MOBILE OFFSHORE UNITS.** The new DNV GL rules exceed the requirements necessary for compliance, increase reliability and reduce downtime.

■ **STANDARDISED SUBSEA DOCUMENTATION JOINT INDUSTRY PRACTICE (JIP).** DNV GL worked with partners on behalf of Norwegian Oil and Gas 'Subsea Installations Network' to develop a Recommended Practice (RP) presenting the minimum set of documentation requirements for all major subsea components, thus streamlining approval processes.

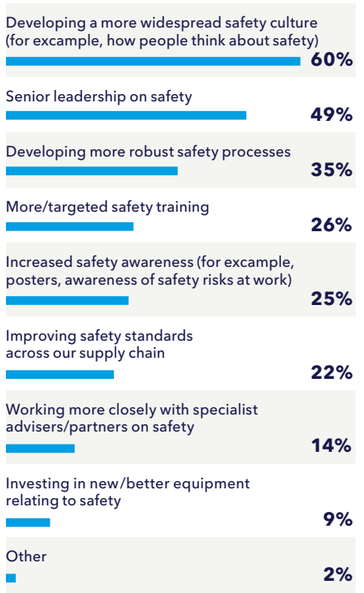
■ **RECOMMENDED PRACTICE FOR MOUS.** Moving Mobile Offshore Units (MOUs) to sheltered waters or drydock facilities for surveys is disruptive and expensive. DNV GL is now preparing an RP to allow mobile offshore units to operate on location by optimising survey routines without compromising on quality, safety or integrity.

■ **NEW PIPELINE CONCEPT.** A new pipeline concept was developed to manage pipeline expansion. Known as SliPIPE, it works to reduce the end force expansion exerted at the tie-in by absorbing the end expansion through sliding within itself and simultaneously reducing or eliminating the effective axial compressive force in the pipeline.

■ **PETROBRAS FRAME AGREEMENT.** The organisation signed a USD 35 million five-year renewal of a frame agreement for integrity management and other services on Petrobras' floating assets in DNV Class.

■ **RISK MANAGEMENT IN SOUTH AFRICA.** DNV GL was selected by PetroSA to undertake an independent risk review of Project Ikhwezi, providing input to risk assessment work performed in-house and PetroSA's own enterprise risk and project risk management methodologies.

FIGURE 04 **HSE ASPECTS BEING PRIORITISED IN 2014**
DNV GL INDUSTRY OUTLOOK SURVEY, NOVEMBER–DECEMBER 2013



ENABLING CLEAN ENERGY

The world of energy is in transition. To achieve a sustainable future, we are changing the way we generate, transmit, distribute and use energy. Society expects energy to be greener, more reliable and less expensive. This is the so-called Energy Trilemma. DNV GL is solving the Energy Trilemma with leading innovation activities and through a full complement of proven global energy services including strategic advice and planning, energy delivery optimisation, programme implementation, testing, inspection and certification.

In Energy, DNV GL brings together DNV, KEMA and the GL renewable energy businesses. We merged DNV KEMA with GL Garrad Hassan to create leading energy and renewables advisory services and with GL Renewables Certification to create a world-class suite of testing, inspection and certification services. Our energy powerhouse is made up of nearly 2,600 energy professionals worldwide. We now provide the energy sector with services for renewable and conventional power generation, transmission and distribution, and the sustainable end-use of energy.

We help customers around the world tackle the issues of the energy transition, from the development of wind and solar to that of smart grids and smart cities. Our experts provide unique insights on the design and advancement of energy markets, and we are increasingly sought after to enable companies and governments to achieve their energy efficiency and sustainability goals.

Our energy efficiency programmes deliver savings on behalf of utilities and businesses while educating end-users about energy use reduction. We deliver results through strategic, technical, programme management and implementation services. We are accelerating our customers' paths to a cleaner, safer, less expensive and more resilient energy supply.

PREDICTIONS SUGGEST that by 2050, renewables will have reached 20–30% penetration in primary markets. The renewables industry is emerging from its early reliance on subsidies, but some technologies are still dependent on support, meaning that policy changes can cause market uncertainty that challenges these forecasts. Onshore wind is now able to compete with conventional generation on cost in several markets. Offshore wind is still reliant on government subsidy support at this early stage. Solar photovoltaics are reaching cost competitiveness in a growing number of markets due to recent cost reductions.

As governmental subsidies in many mature markets are being cut back and renewable electricity generation prices

"RENEWABLE ENERGY GENERATING CAPACITY WILL GROW MORE THAN THREE TIMES FASTER THAN CONVENTIONAL POWER GENERATION OVER THE NEXT 20 YEARS.

"WE DELIVERED A NEW OFFSHORE STANDARD FOR THE DESIGN OF FLOATING WIND TURBINE STRUCTURES AND UPDATED OUR STANDARD FOR THE DESIGN OF OFFSHORE SUBSTATIONS.

are under pressure, an important focus area for DNV GL is demonstrating how our services help to drive down the levelised cost of energy.

Our renewables services now cover a broad portfolio ranging from energy assessments to project development and due diligence. We focus on onshore and offshore wind, solar, wave and tidal power.

THE WIND ENERGY SECTOR IS GROWING RAPIDLY. Bigger plants with larger wind turbines and more output per turbine will lead to increased loading on the individual components. We make sure all design requirements and all applicable standards and guidelines are met.

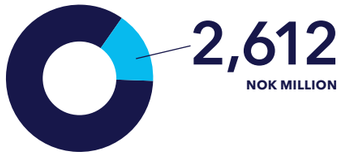
In fact, in 2013, we issued a new guideline for condition monitoring systems and three new technical notes on the certification of wind turbines for cyclone conditions, certification of grouted connections for offshore wind turbines and certification of the electromagnetic compatibility of wind turbines. Further, we delivered a new offshore standard for the design of floating wind turbine structures and updated our standard for the design of offshore substations.

For over 25 years, DNV KEMA and GL Renewables Certification have been the world's leading certification bodies for wind turbines and their components. By combining these activities, DNV GL is in a strong position to retain its renewables certification leadership.

We continue to grow our renewables certification business within the expanding offshore wind industry. DNV GL is using its combined forces to help the offshore wind industry reduce risks and achieve success.

SMART GRIDS AND SUPER GRIDS are prerequisites for integrating large-scale renewable energy into future energy systems, improving energy efficiency and connecting energy markets. We invest in long-term, strategic research and innovation that moves the industry forward and empowers our customers and partners to excel in their businesses through our global innovation portfolio and joint industry projects. An example is advanced

REVENUE: ENERGY'S SHARE OF DNV GL TOTAL



EMPLOYEES: ENERGY'S SHARE OF DNV GL TOTAL

25

DNV GL standards and guidelines have been published for renewable power generation.

10 labs

DNV GL operates 10 laboratories, including the world's largest independent high-power and high-voltage laboratories.

€70 mill.

is being invested in the expansion of our high-power laboratories for the extreme testing segment for future super grids.

FIGURE 05 WORLD ELECTRICITY GENERATION BY SOURCE IN 2013

Coal	41.3%
Gas	21.9%
Hydro	15.8%
Nuclear	11.7%
Oil	4.8%
Other renewables	4.5%

Source: IEA World Energy Outlook 2013

smart meter big data analytics, which in the near future will allow for cyber-securing privacy-sensitive information and distinguishing 'nice-to-know' data from 'need-to-know' data required for operating smart appliances through automated machines. In the future, these machines will connect with one another and act as active energy users.

IN A GLOBAL MARKET THAT DEMANDS SAFETY AND RELIABILITY, there is a need to prove that grid components are up to the task. Independent testing is essential to show that components perform as required and withstand the rigors of the field.

Our industry-leading testing, inspection and certification services and world-renowned KEMA Type Test Certificates are the international benchmark for grid equipment testing and the gold standard for quality. For our customers, our trusted certificates are a passport to global business. We have over 80 years of experience in the high- and medium-voltage testing, inspection and certification business.

"INDEPENDENT TESTING ISESSENTIAL TO SHOW THAT COMPONENTS PERFORM AS REQUIRED AND TO SECURE THE SUPPLY OF ENERGY.

"IN ARNHEM, WE ARE CREATING THE FIRST TESTING FACILITY IN THE EXTREME TESTING SEGMENT OF 800 KILOVOLTS AND ABOVE.

In 2013, we started construction for the expansion of our high-power laboratories in Arnhem in the Netherlands and Chalfont in the US. By creating the world's first independent testing facility in the extreme testing segment of 800 kilovolts and above, our laboratory in Arnhem will support the electricity transmission and distribution industry at the highest voltage levels. In Chalfont, once completed, the new high-power test cell will be the largest of its kind in the US.

THE WAY WE USE ENERGY MATTERS. Learning how to more efficiently and sustainably operate our buildings and communities is a critical element of the energy transition. In 2013, we continued to help utilities, governments and corporations develop and implement energy efficiency and sustainability policies and programmes to drive down costs and lower CO_2 emissions. □

OTHER ACHIEVEMENTS IN 2013

■ **DISTRIBUTED ENERGY SOURCES.** We teamed up with the California Public Utilities Commission to effectively and proactively plan for 1.3 gigawatts of storage in the grid. Energy storage is a solution that balances variable wind and solar resources while keeping the grid stable and it will contribute to meeting California's renewable energy goals.

■ **TECHNICAL DUE DILIGENCE ADVICE** paved the way to invest a significant amount of equity in two offshore projects, together accounting for 127 wind turbines and 381 megawatts of generating capacity with a total project cost of approximately EUR 1,550 million. Our team examined key areas of technical risk, including energy production, technology and design, asset status, contracts, grid and permitting.

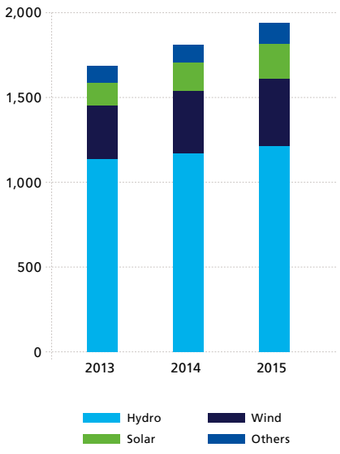
■ **BOOSTING WIND IN SCOTLAND.** In November, we opened our new office in Glasgow which features an operations control room. By using real-time data and advanced analysis techniques, we will support clients in Scotland and elsewhere to boost wind farm performance and bring down the cost of wind energy.

■ **STRATEGIC RESEARCH FOR SMART AND SUPER GRIDS.** We opened a new unit in Arnhem, the Netherlands, focusing on energy-related research. The themes for this unit are super grids and smart grids.

■ **NEW BATTERY AND ENERGY STORAGE TECHNOLOGY.** We have partnered with NYBEST to build and grow our battery testing and commercialisation centre in Rochester, New York. Our vision is to launch a test and certification facility to serve the rapidly emerging energy storage industry.

■ **LENDERS' TECHNICAL ADVISOR.** DNV GL is acting as the lenders' technical advisor for five of the seven wind farm projects announced by the Department of Energy in South Africa in the Renewable Energy Independent Power Producer Procurement Programme, representing a total capacity of 590 megawatts. Our services are providing the technical confidence that the financial community requires before they invest in these leading projects.

FIGURE 06 WORLD RENEWABLE ELECTRICITY GENERATING CAPACITY AND PROJECTION (GIGAWATTS)



Source: IEA renewable energy medium-term market report 2013

TRANSCENDING BOUNDARIES

Companies today face a broader set of business challenges. It is no longer enough to report a healthy financial bottom line; there is a growing demand for sustainability and trust. As companies are increasingly being held accountable, they need to find ways to build sustainable business performance.

Tomorrow's successful companies will be those that create value while meeting the world's social, economic and environmental needs. Through our certification, verification, assessment and training services, we partner with our customers to assure the performance of their organisations, products, people and supply chains. We also deliver insight and pragmatic support to major companies, enabling them to build effective sustainability strategies. Focusing on their future, we are committed to helping our customers to navigate a broader set of business challenges and build sustainable business performance and stakeholder trust.

A SUSTAINABLE MANAGEMENT SYSTEM. Sustainability is a growing focus for companies of all sizes. Embarking on that sustainability journey can be a daunting task, especially for smaller companies which increasingly see the need to deliver sustainable products and services, but may not quite know where to start. To help our customers respond in this dimension too, we have further developed our management system certification methodology and launched Next Generation Risk Based Certification™. This is designed to focus our audits on what matters most while checking compliance with the standard. As every audit provides more insight, we enable our customers to improve their management system's ability to support the organisation in building sustainable business performance and stakeholder trust.

We view our extensive portfolio of management-system-related services delivered to thousands of companies worldwide as a valuable contribution to our vision of a safe and sustainable future. While the financial crisis in some geographies is still affecting our business overall results, the outlook for 2014 is better. And we do see growth in certain geographical areas. DNV GL experienced 4% growth in 2013.

PRODUCT ASSURANCE. The expansion of product compliance into product sustainability has long been a fact. A more recent trend is the integration of management systems to support product sustainability.

"THROUGH OUR CERTIFICATION, VERIFICATION, ASSESSMENT AND TRAINING SERVICES, WE PARTNER WITH OUR CUSTOMERS TO ASSURE THE PERFORMANCE OF THEIR ORGANISATIONS, PRODUCTS, PEOPLE AND SUPPLY CHAINS.

"WE SAW CONSIDERABLE GROWTH OF 16% IN THE FOOD AND BEVERAGES INDUSTRY IN 2013 AND ARE MAKING EFFORTS TO CONTINUE TO EXPAND NOT ONLY GEOGRAPHICALLY BUT ALSO IN TERMS OF OUR SERVICES TO HELP COMPANIES SUCCEED.

Our product certification portfolio grew by 20% from 2012 to 2013. To respond to customer needs, we are developing our product stewardship services, such as carbon and water footprinting. In 2013, we signed a memorandum of understanding with the United Nations Industrial Development Organization (UNIDO) to develop and implement joint projects in the field of water footprint measurement and promote water management best practices, with a particular emphasis on Africa.

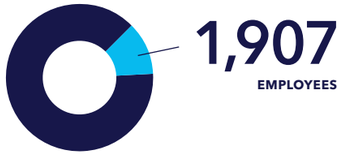
FOOD AND BEVERAGES. The demand for responsible sourcing and supply chain management is in general high for many stakeholders and the food & beverage industry is no exception. While food safety is still a key issue in this industry and we see national legislation like the Food Safety Modernization Act (FSMA) in the US emerging, the food & beverage industry is taking a broader view to ensure a safe and sustainable food supply chain. DNV GL continues to be a main player in this industry, partnering with companies in every link to quality assure services. We saw considerable growth of 16% in 2013 and are making efforts to continue to expand not only geographically but also in terms of our services to help companies respond. In an industry faced with a number of conflicting global challenges, such as producing enough safe food to feed the world's population, and with agriculture being both one of the greatest contributors to climate change and the most afflicted sector, collaboration seems to be a key ingredient.

HEALTHCARE. Our development in the healthcare industry was also good in 2013. While partnering with healthcare organisations to meet their total certification needs, we have particularly focused on our international accreditation standard and Managing Infection Risk standard. In 2013, DNV GL's International Hospital Accreditation Standard (DIAS) received the highly esteemed honour of being accredited by the International Society for Quality in Healthcare (ISQua), which accredits the healthcare accreditors.

DIAS integrates standards for clinical and patient safety with ISO 9001 quality principles and is recognised worldwide.

REVENUE: BUSINESS ASSURANCE'S SHARE OF TOTAL

EMPLOYEES: BUSINESS ASSURANCE'S SHARE OF TOTAL



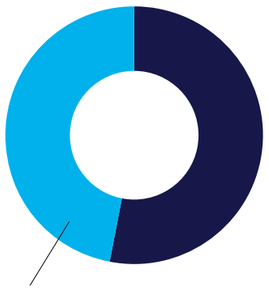
2,400
hospitals and healthcare providers certified by DNV GL.

88,000
management system and product certification certificates by DNV GL.

6,000
food and beverage companies worldwide certified by DNV GL.

FIGURE 07 **INSIGHT FROM THE CUSTOMER PANEL**
BUSINESS ASSURANCE SURVEY, Q2 2013

We asked:
Will companies keep on investing in sustainability for the future?



47% said:
No doubt, they will invest even more than today.

"MOVING FORWARD, DNV GL IS COMMITTED TO HELPING COMPANIES OF ALL SIZES BUILD SUSTAINABLE BUSINESS PERFORMANCE THROUGH ALL ITS SERVICES.

Its assessment process can adapt to acknowledge local legislative requirements and the context of specific national healthcare systems. Hospitals accredited to DIAS provide assurance to patients, the public and stakeholders about the high level of safety and quality of services provided.

The global burden of healthcare-associated infections continues to rise. Our Managing Infection Risk (MIR) addresses the need for systemic and proactive preparedness in order to tackle the issue of infection control throughout an organisation. We see an increased demand for this service in Europe, the US and Asia Pacific.

We also see an increase in hospitals' need for management system certification in general.

LOOKING AHEAD. As companies increasingly need to find ways to create value while meeting the world's social, economic and environmental needs and in order to respond to stakeholder demands and build trust, we continue to see a growing need for business assurance services from an independent third party. Moving forward, DNV GL is committed to helping companies of all sizes build sustainable business performance through all its services.

The focus is on improving existing services while also developing new ones to support our customers' need to manage operational challenges today while building sustainable business performance over time.

When it comes to sustainability, large companies still lead the way, but smaller companies are catching up. We help to meet the business assurance needs of over 70,000 customers worldwide and view this as a key contribution to a more safe and sustainable future. □

"THE FOCUS IS ON IMPROVING EXISTING SERVICES WHILE ALSO DEVELOPING NEW ONES TO SUPPORT OUR CUSTOMERS' NEED TO MANAGE OPERATIONAL CHALLENGES TODAY WHILE BUILDING SUSTAINABLE BUSINESS PERFORMANCE OVER TIME.

OTHER ACHIEVEMENTS IN 2013

THE POWER OF NEXT: A SUSTAINABLE MANAGEMENT SYSTEM. To make Next Generation Risk Based Certification™ possible, DNV GL auditors are trained to incorporate into the audit critical management-system issues from the wider context of a company's organisation. Structuring the audit around what matters most gives better insight into the management system's performance. This enables our customers to improve their management system's ability to support the organisation in building sustainable business performance and stakeholder trust.

GLOBAL LEADER. DNV GL was ranked as the global leader in sustainability assurance services in the 2013 Verdantix survey, which provides a detailed comparison of the sustainability assurance capabilities of leading global providers. Verdantix gave DNV GL an especially high score for product sustainability assurance, an achievement tied to the investment in product water footprints as well as the ProSustain™ standard.

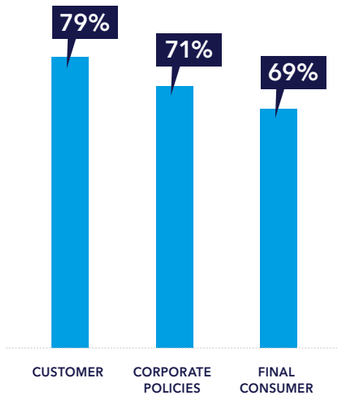
STRONGER POSISION. Business Assurance strengthened its presence in Denmark due to the acquisition of DS Certificering from Danish Standard.

CUSTOMER PANEL. In 2013, Business Assurance established a Customer Panel consisting of more than 6,000 customers worldwide, who regularly voices their opinions on topical subjects related to sustainable business performance in their industry.

TOMORROW'S VALUE RESEARCH. Business Assurance has for a decade provided unique insight into the sustainability practices of the world's largest companies through Tomorrow's Value Research. The study assesses how well companies have embedded sustainability in their core business model and strategy, how well they involve and manage stakeholder expectations, and how well they use sustainability risks as a lever to drive innovation.

FIGURE 08 **INSIGHT FROM THE CUSTOMER PANEL**
BUSINESS ASSURANCE SURVEY, Q2 2013

Who is demanding more sustainable products?



INNOVATIVE SOFTWARE SOLUTIONS

REVENUE: SOFTWARE'S SHARE OF TOTAL

445
NOK MILLION

EMPLOYEES: SOFTWARE'S SHARE OF TOTAL

712
EMPLOYEES

The industries that constitute the majority of our customers, including the oil and gas, process, energy and maritime industries, are increasingly relying on sophisticated software solutions. This not only ensures compliance with the growing number of rules and regulations, but also, and equally importantly, leads to more efficient, cost-effective and safe operations.

Our solutions support a variety of activities, including design and engineering, risk assessment, asset integrity management, QHSE management and ship management and operations. We enable our customers to manage risk, demonstrate compliance with regulatory requirements and sustainability, improve their return on assets and achieve operational efficiency and business optimisation.

DNV GL – Software achieved pro forma revenue of NOK 616 million* in 2013, representing year-on-year growth of 14%.

DESIGN AND ENGINEERING. The level of activity in the offshore oil and gas sector continues to be high in both new fields and life extensions. The Design and Engineering product line grew by 12% in 2013. Sesam software covers the lifecycle of an installation and includes support for a structural re-analysis system that is becoming increasingly important for the major oil companies to manage their assets and reduce risk. Sesam, Nauticus Hull and Nauticus Machinery have the ability to handle frequent design changes, which has brought them a leading position in the design of ships and offshore floaters. Sesam is re-gaining market shares in the fixed platform segment.

PROCESS SAFETY, RISK AND RELIABILITY. The growing demand for energy from new and conventional sources brings additional risks to life, property and the environment. Our tolerance for such risks is reducing, particularly in light of recent major accidents. Risk analysis, formerly the domain of process safety experts, is now everyday work for process design engineers. Reliability analysis, formerly the domain of RAM specialists, is now part of the bottom-line design and operation of assets. We are driving this change with new versions of Phast and Safeti, the introduction of Safeti Offshore and the integration of Maros and Taro. The Process Safety, Risk and Reliability product line grew by 24% in 2013.

SHIP MANAGEMENT AND OPERATIONS. The situation in the shipping market remained difficult throughout 2013 and cost and competitive pressure are motivating shipping companies to search for areas of improvement. Our solutions for smarter ship management and operations help them to achieve this.

The merger of the (GL) ShipManager and (DNV) Navigator operations to form a single unit has created one of the world's biggest maritime software providers. In 2013, we supported 300 shipping companies with 4,000 vessels and saw growth of 15% in the Ship Management and Operations product line. We gained approximately 30 new customers with 750 vessels – customers such as Seaspan, Rickmers, Hapag-Lloyd, Q-Shipping and Harren & Partner.

ASSET SIMULATION AND OPTIMIZATION. Revenue from the Asset Simulation and Optimization product line grew by 7% in 2013. These solutions enable informed decisions in order to minimise spend, mitigate risk and improve operational efficiency. Robust and accurate modelling of pipeline distribution network operations answers key questions about current and future capacity.

By maximising the efficiency of compressor stations, the SynerGEE and SPS software enable the design of efficient, cost-effective networks, improve operational planning and reduce environmental impact. The combining of SynerGEE Water with SynerGEE Gas has helped our customers in the shale gas industry to improve operational performance and reduce their environmental footprint from trucking water and recovering wastewater.

"THE GROWING DEMAND FOR ENERGY FROM NEW AND CONVENTIONAL SOURCES BRINGS ADDITIONAL RISKS TO LIFE, PROPERTY AND THE ENVIRONMENT.

ASSET INTEGRITY MANAGEMENT. The merger of DNV and GL has brought together a combination of world-class asset integrity products. The new product line will be launched in mid-2014 and is intended for upstream and downstream processing plants, offshore structures and onshore and offshore pipeline and gas distribution.

In 2013, the existing products were included in solutions for diverse sectors of the oil and gas industry, including gas distribution systems in the US, pipelines in Australia, offshore structures in South East Asia and offshore plants in the North Sea. The product line grew by 4% in 2013.

QHSE AND ENTERPRISE RISK MANAGEMENT. Synergi Life is a business solution for improving enterprise risk and QHSE (quality, health, safety and environmental) management. This product line achieved an annual growth in revenue of 23% on top of a doubling of revenue from 2011 to 2012. DNV GL has a long history of providing leading software solutions for technical and process risk. With Synergi Life, we also have solutions for occupational and behaviour-related risk. DNV GL – Software offers solutions that enable management to combine both qualitative and quantitative approaches. □

OTHER ACHIEVEMENTS IN 2013

- **DNV GL – SOFTWARE** continues to grow its market shares in all product lines. Sesam revenue has almost tripled in four years and we have seen strong growth, especially within the fixed structures segment and re-assessment and modification/repair of ageing assets.
- **OUR PROCESS SAFETY**, risk and reliability product line is maintaining its position as the leading QRA (Quantitative Risk Assessment) and RAM (Reliability Availability and Maintainability) solution.
- **THE GLOBALISATION** of the QHSE and enterprise risk solutions is continuing, with this business more than doubling since the acquisition of Synergi Solutions AS in 2011.
- **DNV GL – SOFTWARE'S** solutions for simulating and optimising the gas, electricity and water distribution and transportation networks and infrastructure are maintaining their leading market positions in both the US and Europe.

* GL Software included full year for revenue and growth rates.

SHAPING THE FUTURE

In DNV GL, we are passionate about research and innovation. By constantly developing our knowledge and understanding of the technical and operational business challenges our customers face, we are able to stay at the forefront of technology development and drive change within our industries towards safer, smarter and greener solutions.

A DRIVING FORCE FOR INNOVATION. The merger of DNV and GL brought together two knowledge- and research-based companies with pioneering mindsets, mindsets that have not only shaped the foundation and development of two successful companies, but also influenced customers and society to raise the standards for business operations. DNV GL's combined resources are exceptional and, with strong hubs of expertise in Arnhem, Hamburg, Houston, London, Milan, Athens, Singapore and Oslo, we will be a driving force for innovation and industry transformation.

We will continue to invest five per cent of our annual revenue in R&D, including one per cent in long-term, strategic research. Innovation is crucial to our and our customers' survival, and our strong commitment to this field will enable us to create the next generation of winning concepts and services.

NEW RESEARCH HUB. In 2013, we expanded our strategic research activities with the opening of a new research hub in Arnhem, the Netherlands, focusing on smart grids and super grids, and the opening of a new lab facility in Groningen, the Netherlands, to test, validate and calibrate multiphase technologies for the production of oil and gas.

INNOVATING THROUGH ACCESS TO NEW IDEAS. The essence of differentiation lies in cultivating new ideas – ideas that can be applied to generate new business. In 2013, DNV GL's CEO Henrik O. Madsen facilitated an Extraordinary Innovation initiative for the fifth year running to develop exciting new ideas from across the company. The initiative allows international project teams to explore a specific field of technology or develop a defined concept to be tested in the market. The most potent ideas are developed to explore the future business potential within a two-year horizon.

STRATEGIC RESEARCH. Today is always the best time to look to tomorrow. That is why we are committed to investing heavily in long-term research and innovation. Through our in-house strategic research unit, we provide the foresight needed to meet the challenges ahead of us. We work strategically with new technology, building new knowledge and finding solutions that will lead to a safer and more sustainable future. In 2013, we expanded the scope of our strategic research programmes within the following areas: Arctic Technology, Maritime Transport, Information Technology, Materials, Health, Oil & Gas and Energy Systems, Climate Change and Power & Electrification.

TECHNOLOGY LEADERSHIP. As a knowledge company, we recognise the need to nurture and develop the competence of our people. Two initiatives are in place to hone technology leadership in the organisation. One is an educational programme delivered in collaboration with UC Berkeley, called Top Tech, in which key employees are trained in the latest technologies and innovation methods. The other is a series of in-house networks maintained by technology leadership programmes, consisting of the most talented technical experts within the company. Both initiatives encourage sharing and learning across disciplines, and help us provide technological expertise to our customers.

"WE WORK STRATEGICALLY WITH NEW TECHNOLOGY, BUILDING NEW KNOWLEDGE AND FINDING SOLUTIONS THAT WILL LEAD TO A SAFER AND MORE SUSTAINABLE FUTURE.

JOINT INDUSTRY PROJECTS – INNOVATION THROUGH COLLABORATION. Our joint industry projects vary in size, complexity and number of partners, but they all have one common goal: to solve a specific technical need and, where possible, to develop a new standard or technology that benefits the industry at large. By aligning forces, we are able to safely improve business performance and drive innovation as an entire industry, rather than as individual players. By applying the specialised knowledge and experience of our people, our customers and a range of industry stakeholders, we have succeeded in creating pioneering solutions to complex industry challenges.

HIGH-TECH LABORATORIES. DNV GL has a number of high-tech laboratories for testing, inspection and certification. Our laboratory services provide a unique and broad portfolio of testing capabilities which, when combined with our in-depth multidisciplinary knowledge and experience, makes for a compelling service offering. □

OTHER ACHIEVEMENTS IN 2013

THE AQUA RECOVERY PROJECT explores how local solutions for offshore treatment of wastewater can bring value back to society in terms of clean water. By combining known technologies in a new way, a floating wastewater treatment plant can be tailor-made to the specific location. We hope this flexible approach can bring prosperity to people and communities.

CLIMATE CHANGE ADAPTATION is an increasingly important aspect of risk management for the shipping, oil and gas, and power sector. To enable business and society to adapt to risks shaped by present and future climate, we have developed a knowledge sharing platform with insights on how to better manage climate risks.

HOW WE WORK

The main way in which we try to achieve our vision of making a global impact for a safe and sustainable future is through the services we offer. In addition, we have a responsibility to ensure that we adopt best practices in the way we run our business; from the way we manage our key stakeholders to the actions we take to reduce our impact on the environment.

Corporate sustainability

- Business ethics and anti-corruption
- People
- Environment
- Health and safety

ENABLING A SAFE AND SUSTAINABLE FUTURE

Sustainability is at the very core of our business and integral to the way we operate. While our main impact as a company stems from the services we provide to clients all over the world, we unceasingly strive to adopt best practices in the way we run our own business.

Our progress is reported under the following areas:

- Business ethics and anti-corruption
- People
- Health and safety
- Environment

Sustainability is what we do every day; from the way we advance a culture of integrity and ethics in our business relations, how we protect the health and well-being of our employees, the actions we take to reduce our impact on the environment and the way we partner with organisations to advance broader sustainable development objectives. Sustainability is uncompromisingly embedded in our purpose, vision and values.

IMPROVING OUR SUSTAINABILITY IMPACT (G4-18). DNV GL takes a risk-based approach to improving our sustainability performance. To focus our efforts on where we have the greatest impact, we have conducted an extensive materiality assessment with stakeholders to identify areas that may become a source of risk, and where there is an opportunity for creating value for our stakeholders and society at large. A broad consultation was performed to ensure that the views of significant stakeholders, both internal and external, were heard in this process *(see figure 01 for description of the process)*.

The merger with GL Group in September 2013 necessitated a closer look at sustainability practices in both legacy organisations. Gaps in practices were identified and alignment of governance documents and instructions was undertaken. Moreover, a separate assessment of sustainability materiality for legacy GL was conducted. The consolidated findings from the sustainability materiality assessment shows that the issues considered to be material for legacy DNV and legacy GL are highly comparable.

The conclusion from the assessments, presented in the DNV GL Sustainability Materiality Matrix (*see figure 02 on page 52)*, will help us prioritise issues and risks that need active management and engagement, as well as determine the focus of our sustainability reporting. The highest priority will be put on the issues in the upper right corner (identified as high importance to both internal and external stakeholders):

- Business ethics and integrity
- Corruption and bribery
- Supply chain management
- Employee well-being, including occupational health and safety
- Privacy and security
- Service value and innovation

2014 TACTICAL PRIORITIES. Based on the findings from the stakeholder dialogue and materiality assessment, DNV GL has developed a tactical plan on corporate sustainability for 2014. The plan translates the broad vision and objectives as set out in the Corporate Strategy into concrete projects, activities and targets to be implemented across the DNV GL Group *(see figure 03)*.

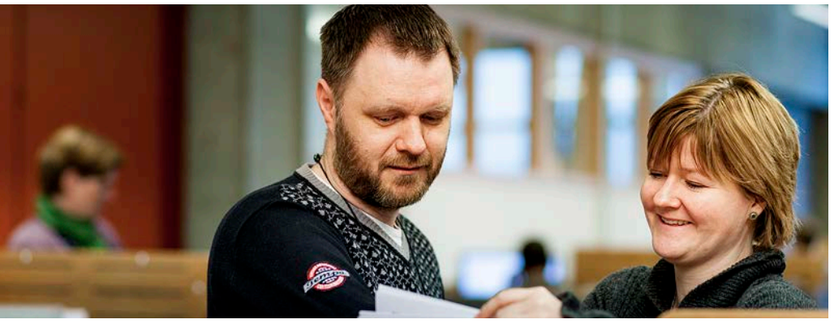
Progress reporting on high-priority areas:

1. **Corporate integrity profile:** because of the merger with legacy GL it was decided to postpone this assessment until 2015.
2. **Anti-corruption guidelines:** New guidelines and instructions were developed in 2013. See next section 'Business ethics and anti-corruption' for details.
3. **HSE monitoring and reporting:** See 'Focus on Health and Safety' on page 70 for details.
4. **Emergency preparedness:** See 'Focus on Health and Safety' on page 70 for details.
5. **Customer risk review:** This project was postponed due to the merger with GL and will be initiated in 2014.
6. **GRI Comprehensive project:** See this section for details.

For more details on each project, see the other sections in this chapter or our website: dnvgl.com/about-dnvgl/sustainability

FIGURE 01 THE PHASES OF THE MATERIALITY ASSESSMENT AND STAKEHOLDER DIALOGUE

01	PEER AND MEDIA REVIEW	– A peer review to assess what sustainability issues legacy DNV's peers and competitors are reporting on. – A media review to assess positive and negative coverage of legacy DNV.
02	IN-DEPTH STAKEHOLDER INTERVIEWS	In-depth interviews with ten internal and external stakeholders to gain a better understanding the important sustainability issues for the organisation.
03	WORKSHOP WITH THE CORPORATE SUSTAINABILITY BOARD	A workshop with legacy DNV's Corporate Sustainability Board to identify sustainability issues with high, medium or low importance, and to reach consensus on the most material issues.
04	BROAD CONSULTATION WITH STAKEHOLDERS	Broad online consultation with 96 stakeholders (customers, government representative, civil society, industry associations and internal stakeholders) to validate the issues that have been identified as material with a much wider group of stakeholders (G4-24).
05	GAP ANALYSIS OF LEGACY GL	Following the merger with GL Group and analysis of reporting practices to identify gaps in sustainability reporting compared to G4 Comprehensive.
06	QUESTIONNAIRE TO LEGACY GL MANAGEMENT AND EMPLOYEES	32 former representatives from key legacy GL Group functions were invited to respond to a questionnaire to determine the most material sustainability issues for legacy GL (88% response rate). Based on the results, a preliminary sustainability materiality matrix was developed.
07	WORKSHOP WITH LEGACY GL TOP MANAGEMENT	Half day workshop with former legacy GL top managers and representatives from employee organisations to review the preliminary materiality matrix. Finalisation of a legacy GL materiality matrix.
08	CONSOLIDATED REPORT ON DNV GL MATERIALITY	Report presenting findings from the materiality assessments, highlighting material issues that represent a risk or opportunity to DNV GL, to provide the basis for alignment of strategy, management and reporting.



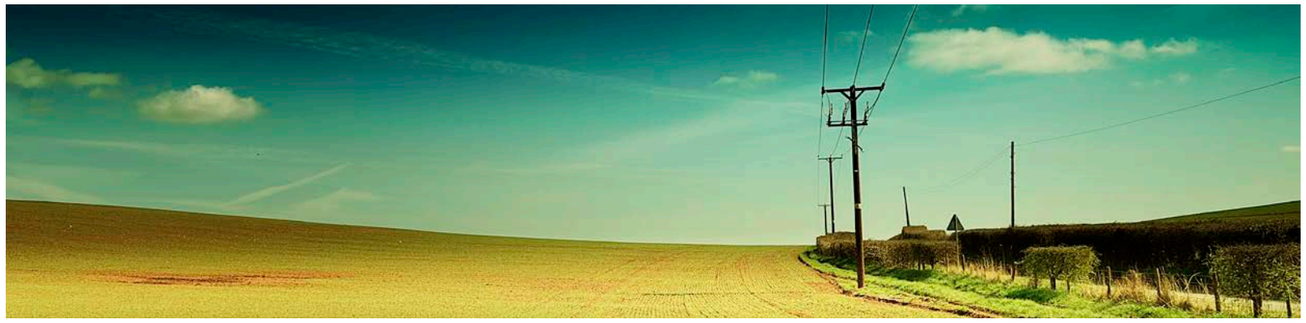
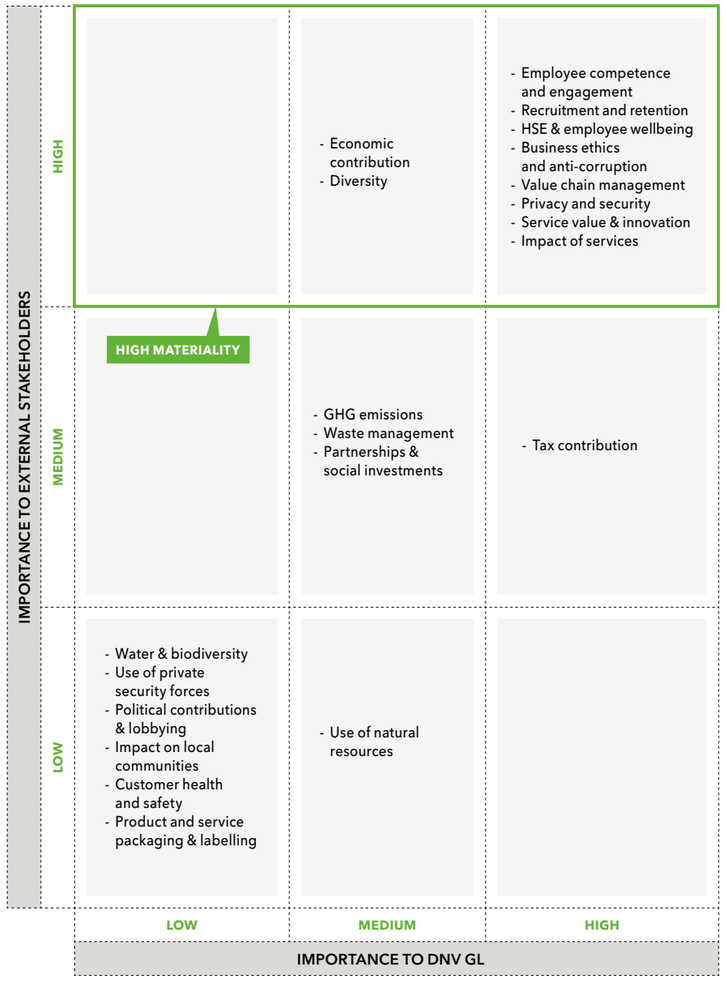


FIGURE 02 DNV GL SUSTAINABILITY MATERIALITY MATRIX



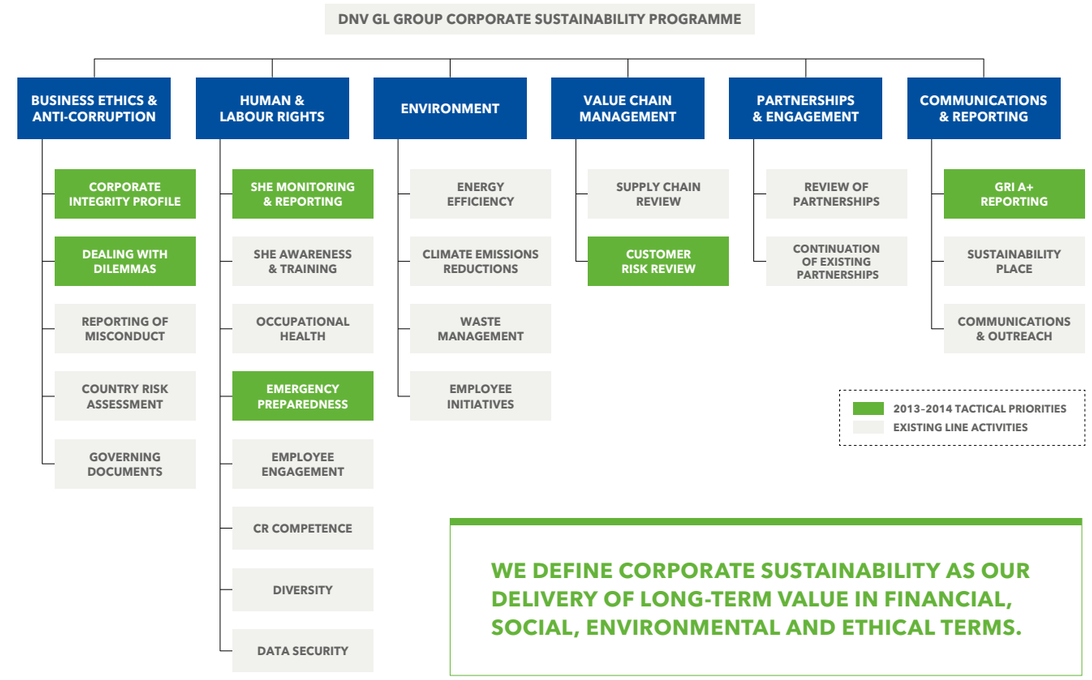
MANAGING OUR SUPPLY CHAIN. Signing the DNV GL Supplier Code of Conduct is mandatory for suppliers with contracts above NOK 50,000 (part of the complete binding contract). Suppliers are screened according to a standard screening checklist and if serious violations are found they can be excluded from the DNV GL supplier registry. The Code is aligned with recognised international standards for supply chain management, including the UN Global Compact principles. If exposure to risk is identified, local business units will engage with the supplier to improve practices.

To follow up on the comprehensive 'Supplier Baseline Review' initiated by legacy DNV in 2010, a project to review the sustainability performance of its entire first-tier supply chain, a review of suppliers to legacy DNV Norway (the unit with the largest number of suppliers) was conducted in 2012/2013. Following an initial risk screening of the supplier base, 87 suppliers (high-risk sector or geography) were asked to complete a self-assessment survey covering five issues (human rights, working conditions, integrity, conflict of interest and management system).

No suppliers were found to be high risk in the first two categories, but between 5–10% of the suppliers assessed received a high risk rating in the latter three categories. The main challenges related to a very low response rate (only 51% equaling 5% of the units total supplier base), the lack of a centralised supplier register and a very large number of suppliers and purchasers.

Going forward, a group-wide project group has been established that will provide recommendations to the Executive Committee on how to follow up on the Supplier Baseline project. The aim is to develop and implement a system for the new organisation across DNV GL Group.

FIGURE 03 2013-2014 DNV GL GROUP CORPORATE SUSTAINABILITY PROGRAMME AND TACTICAL PRIORITIES

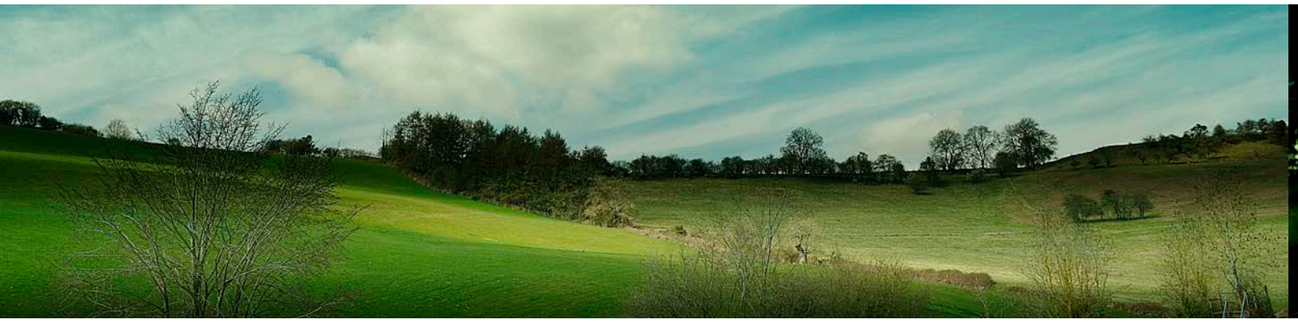


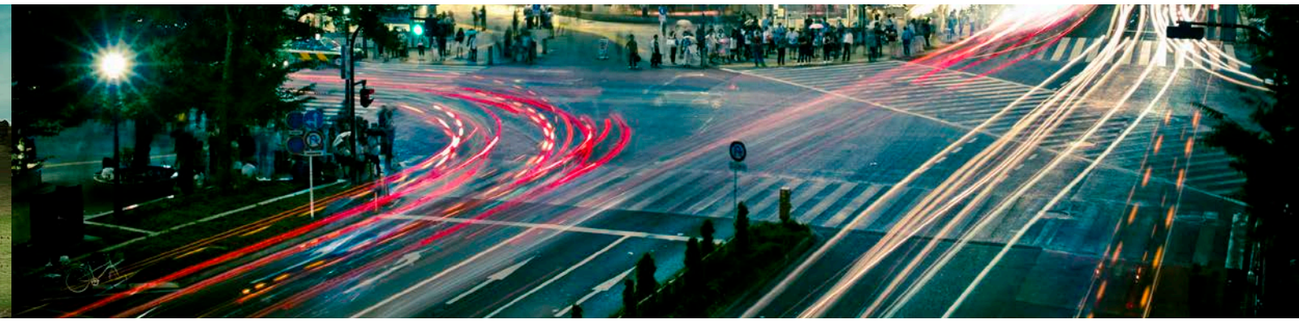
WE DEFINE CORPORATE SUSTAINABILITY AS OUR DELIVERY OF LONG-TERM VALUE IN FINANCIAL, SOCIAL, ENVIRONMENTAL AND ETHICAL TERMS.

PARTNERSHIPS & ENGAGEMENTS. DNV GL supports and actively engages with several international initiatives to promote responsible business practices and sustainable development.

DNV GL actively participates in the UN Global Compact. The greatest focus of our effort lies with systematically implementing and continuously improving performance on the ten principles. At the global level, we engage in the Global Compact Advisory Group on Supply Chain Sustainability, and regionally through the UN Global Compact Nordic Network. DNV GL is also a signatory to the Caring for Climate initiative, a business leadership platform to promote greater climate responsibility. In 2013, DNV GL engaged Executive Director Georg Kell in the 'Exploring a Sustainable Future' project *(see next page)*.

Our membership in the World Business Council for Sustainable Development (WBCSD) continues to provide an excellent platform for advocating more responsible business practices globally. We have a particular focus on climate change work through our participation in the Energy and Climate Working Group. In 2013, President & CEO Henrik O. Madsen co-chaired the 'From Vision 2050 to Action 2020' project'.





Legacy DNV is one of the founding partners of Sustainia – an initiative advancing sustainable solutions and showcasing the benefits of sustainable practices, products and services. In 2013, several Sustainia analysts were closely involved in the 'Exploring a Sustainable Future' project.

In April 2012, legacy DNV entered into a three year strategic partnership with WWF Norway. Throughout 2013, the partnership was developed quite actively along several dimensions and projects were established within four priority areas: sustainable shipping, sustainability foot-printing, the Arctic, and low carbon society.

Representatives from WWF have increasingly been invited in to DNV GL projects and processes such as the innovation projects like 'Plastic Aquatic' and 'Aqua recovery', as well as several of the content projects for DNV GL's 150 years celebrations. As 'a critical friend', WWF advise has proven both useful and challenging for DNV GL's own internal processes and provides an essential basis for further development of the partnership.

In 2012, it was decided to continue the strategic partnership with the Norwegian Red Cross for three more years. The global partnership focuses on local engagement, and in addition to financial support, DNV GL employees contribute with expertise worldwide as volunteers or in DNV GL sponsored projects. Our support of water and sanitation projects in China and Vietnam will be continued. Competence exchange on resilience tracking systems has been a new focus area for the partnership in 2013.

TRAINING. 'We in DNV GL' is a 1.5-days mandatory introductory course for all DNV GL employees. Corporate sustainability training is an integral part of the course.

We in DNV GL	2012	2013
Number of new employees – completed the training	1,052	963

See issues section for information on issue specific training.

TRANSPARENCY AND DISCLOSURE. DNV GL is strongly committed to openness and transparency around how we manage our business and the impacts of our operations. Our sustainability reporting is based on the Global Reporting Initiative (GRI) framework. To improve disclosure to stakeholders, we started an ambitious project to achieve a reporting level 'Comprehensive' by 2014 and independently assessed report in 2015. The materiality assessment and stakeholder dialogue conducted in 2012 and 2013 intended to identify the issues and indicators which our stakeholders believe are material to us and which we should be reporting on *(please see details in figure 02)*.

In 2013, a brand new sustainability section on the DNV GL website was produced, with the aim to increasingly move towards web-based sustainability reporting and make information more easily available to DNV GL stakeholders.

For more information about how we work:
dnvgl.com/about-dnvgl/sustainability

EXPLORING A SUSTAINABLE FUTURE: **SIX STRATEGIC PROJECTS**

As DNV GL celebrates our 150th anniversary and first year as a merged company, the world is faced with great challenges. Severe resource constraints, financial instability, widening income gaps, environmental degradation, unemployment and social unrest are clear signals that 'business-as-usual' cannot continue.

Instead of celebrating past achievements, DNV GL has decided to use the anniversary as an opportunity to reflect upon what can be done to achieve our corporate vision of a safe and sustainable future. Six 'themes for the future' have been explored throughout 2013 – areas where we can leverage our history and expertise to translate our vision to impact. The themes were selected as part of our efforts to take a broader view of the relationship between technology, business and society.

The six reports were launched in Feb. 2014:

1. **A safe and sustainable future: enabling the transition**
2. **From technology to transformation**
3. **The future of shipping**
4. **Electrifying the future**
5. **Arctic: the next risk frontier**
6. **Adaptation to a changing climate**

The aim is to use the themes' findings, as well as the momentum of 2014, to engage a wide range of stakeholders in a forward-leaning discussion about how to achieve our vision – global impact for a safe and sustainable future.

The six reports can be downloaded here:
dnvgl.com/technology-innovation/strategic-projects

SUSTAINABILITY REPORTING FROM BUSINESS AREAS

LEGACY DNV KEMA

In 2013, sustainability and corporate responsibility awareness further increased within legacy DNV KEMA. A corporate sustainability plan was developed and deployed throughout the company in employee and manager meetings and 'Dealing with Dilemmas' workshops. In offices around the world, environmental measures were implemented including improved waste and recycling collection and monitoring, efficient LED lighting installations and stricter printing measures. This led to 'greener' offices overall and more offices worldwide that are LEED® certified. Our partnership with Red Cross was further developed and is expected be finalised in 2014. Energy employees raised EUR 2,500 to support victims of the Philippines typhoon.

LEGACY DNV MARITIME AND OIL & GAS

In 2013, DNV Maritime and Oil & Gas developed a Corporate Responsibility (CR) Action Plan in line with DNV´s Purpose, Vision and Values. This plan described the key projects to be taken across the organisation throughout the year in order to progress towards achieving the CR goals outlined by DNV Group.

The main work areas of this CR Action Plan:

1. Business Ethics & Anti-Corruption: To ensure thorough understanding and use of DNV´s Code of Personal Conduct, Code of Business Conduct, DNV's ethics and anti-corruption policies guidelines, throughout the organisation. Some of the actions taken were: **1)** Roll out of a Code of Conduct campaign through the 'Quality Hour' format; **2)** Yearly repetition of the Dealing with Dilemmas and Crossing the Line programs; **3)** Review of the exposure of different employees categories (surveyor, approval, Engineer, consultant, fuel testing inspector support).

2. Country Risk Review: To improve understanding and awareness of the CR-related risks in countries where we operate. Some of the actions taken were: **1)** Raise awareness of the DMS instructions related to country risk assessment to Regional Managers; **2)** Country Risk Review to be part of the Management agenda in each Region.

3. SHE Awareness Raising & Training: Enable managers and SHE professionals by developing SHE competence and motivation among them, so that they can fulfill their responsibilities related to 'duty of care' and the building of a sound SHE culture in DNV.

4. Emergency Preparedness: To be better prepared for an emergency by developing an Emergency Preparedness Plan.

LEGACY GL

GL Group fostered Sustainability and CR awareness in line with its business mission Safer Smarter Greener. Management focused on mandatory Code of Conduct (CoC) and anti-corruption training which nearly 90% of all employees completed. Following GL's BS OHSAS 18001 certification reports on Incident Performance Summary were provided to the Executive Board. For GL's ISO 14001 certification, environmental aspects were evaluated and a consolidated aspect register established.

LEGACY DNV BUSINESS ASSURANCE

For Business Assurance, sustainability was placed at the centre of its business strategy during 2013. Underpinning this strategy was the philosophy that tomorrow's successful companies are those that create value by meeting the world's economic, social and environmental needs. Under the leadership of the Executive Leadership Team, a sustainability e-learning solution for all employees and subcontractors was rolled out. The training set out the ways in which our business contributes to sustainable business performance, both internally and externally, placing a strong emphasis on the need to understand and respond to stakeholder expectations.

Management systems are the basis of sustainable business performance and support organisations in managing their economic, social and environmental impacts. In 2013, Business Assurance developed and launched an evolution in its approach to management system certification called Next Generation Risk Based Certification™. Through identifying, managing and mitigating the risks most critical to customer operations and their stakeholder expectations, our approach helps customers achieve their business goals today, while putting sustainability at the heart of the way they operate.

Other related topics selected by Business Assurance for particular management focus during the year included: Dealing with Dilemmas training, S&H Monitoring and Reporting, S&H Awareness & Training, Climate Emission Reduction, Supply Chain Review and Emergency Preparedness.

BUILDING A CULTURE OF INTEGRITY

Integrity is key to safeguarding our customers' trust in the services we deliver and DNV GL's reputation. For us, business ethics is the application of ethical values to business behaviour. We are continuing to pay close attention to business ethics at all levels in the organisation.

Fostering a culture of integrity across all operations remains one of our chief concerns and we are maintaining our emphasis and systematic focus on dilemma training, fraud and corruption resistance as priority areas. Setting up a strong compliance organisation for DNV GL was at the top of our agenda in 2013.

SETTING UP A COMPLIANCE ORGANISATION. In early 2013, the Board of Directors and Group CEO decided to establish a Group Compliance Officer function with responsibility for the Group's initiatives related to anti-corruption, anti-trust, foreign trade and data protection. The main responsibility of the new Group Compliance Officer function is to manage DNV GL's compliance risks and establish and monitor a compliance organisation that meets the statutory and business ethics requirements. The Group Compliance Officer is appointed by the Group CFO and reports to the Board of Directors (Audit Committee) and Group CEO on a regular basis.

The Group Compliance Officer is in charge of raising awareness of compliance risks and will set up a compliance programme in 2014 to reflect this. This includes preparing a quarterly list of reported misconduct cases and ongoing investigations related to incidents. The Compliance Officer also develops and maintains the Code of Conduct on behalf of the Group CEO.

A NEW CODE OF CONDUCT. Following the merger between DNV and GL, a new joint Code of Conduct was prepared and adopted in September 2013. The Code stipulates principles and covers issues such as conflicts of interest, quality, fair and open competition, corruption, gifts and hospitality, confidentiality, impartiality and integrity, sponsorship and contributions, relations with intermediary business partners and a good working environment, as well as further topics of relevance for DNV GL.

"COMPLIANCE IS MORE THAN JUST PREVENTION AND MANAGING RISK. AT DNV GL WE FEEL THAT IT IS ALSO ABOUT NAVIGATING OPPORTUNITIES. IT OFFERS AN OPPORTUNITY TO CONSISTENTLY STRENGTHEN OUR ORGANISATION THROUGH STRATEGIC, PROACTIVE MEASURES – SUCH AS BEST PRACTICES, EMPLOYEE TRAINING, INTERNAL CONTROLS.

The document was presented to the Audit Committee in December 2013 and approved by the Board of Directors in February 2014 and is an integral part of the DNV GL Management System. The new Code will be publicly available and published on the Group's external website.

In addition to this Code of Conduct, new legally binding instructions to all employees have been adopted. The instructions relate to anti-corruption, how to handle gifts and antitrust. The anti-corruption and gift-handling instructions reflect DNV GL's zero tolerance approach and set out the legal framework in these areas as well as the practical implications.

MECHANISMS FOR REPORTING INCIDENTS OF MISCONDUCT. **Legacy GL**: Compliance Management System instructions describing the reporting process were in place. An external Ombudsman received confidential indications of possible violations of the Code of Conduct, other internal legacy GL instructions or statutory provisions, made an initial evaluation and, where relevant, referred the matter to legacy GL's Compliance Officer. Legacy GL's Ombudsman was a lawyer authorised to practise in Germany. By virtue of his lawyer-client relationship with legacy GL, the Ombudsman was bound by an extensive statutory obligation of confidentiality in relation to third parties, and also in particular in relation to public authorities and the courts.

'CORPORATE RESPONSIBILITY HAS BECOME A BUSINESS IMPERATIVE AND DEFINES A WELL-MANAGED, TRUSTED COMPANY. MANAGING OUR SUSTAINABILITY RISKS AND ENSURING THE HIGHEST LEVELS OF INTEGRITY IN THE WAY WE OPERATE ARE KEY TO REALISING OUR VISION AND ACCELERATING OUR PROGRESS TOWARDS A SUSTAINABLE FUTURE. IN THE END, DOING THE RIGHT THING ALSO MAKES BUSINESS SENSE.'

BJØRN K. HAUGLAND, CHIEF SUSTAINABILITY OFFICER

Legacy DNV: instructions relating to the reporting of misconduct were in place. An internal Ombudsman served as a whistleblower hotline as well as an ethical helpline to provide advice to managers and employees regarding potential and actual ethical dilemmas. In addition, the Ombudsman handled the cases that were reported. The Ombudsman was a trusted confidential route for ethical concerns and a safety valve option.

In October 2013, the Group CEO decided to modify the Ombudsman role. All employees can now report incidents to their line manager, the Ombudsmen or directly to the Compliance Officer, depending on the situation. The Ombudsmen serve as a safety valve option to provide support when reporting through the line has not worked or if the employee wants to remain anonymous. Coordinating the compliance cases and the final solutions to the incidents is the responsibility of the Compliance Officer. The Ombudsman will continue to have an independent role and function as a trusted confidential route for ethical concerns.

A database for handling cases was established at the end of 2013. *See table 01 for* legacy DNV and legacy GL cases from 2013.

The new process for reporting misconduct will be adopted at the beginning of 2014.

TABLE 01 COMPLIANCE CASES

Case type	Legacy DNV[1]	Legacy GL[1]	DNV GL Group[2] DNV / GL
Labour related	5	5	1/1
Allegations	6	5	3/1
Data Protection	–	–	–
Ethical helpline	–	–	–
Others	2	3	1/1
Total	13	13	5/3

1 Cases reported before closing
2 Cases reported after closing

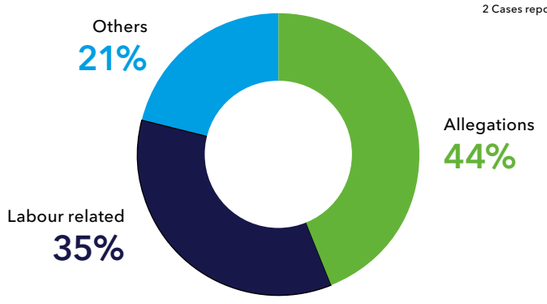


TABLE 02 COMPLETION RATES OF THE LEGACY GL E-LEARNING TOOL AS AT 31 DECEMBER 2013

	Our Code of Conduct	Anti-corruption & instruction on gifts and benefits
Maritime servies	99%	99%
Oil & Gas	79%	78&
Renewables	97%	97%
Corporate Services	94%	93%
Total degree of completions	90%	89%

TRAINING. Legacy GL: mandatory e-learning courses on 'Compliance and Our Code of Conduct' and 'Combating Corruption and Instruction on Gifts and Benefits' have been in place since 2011 for all employees. The status of the e-learning modules' implementation as at 31 December 2013 shows a high rate of completion across all operations *(see table 02)*.

In legacy GL, workshops and additional training on compliance matters took place in all divisions and business areas as well as training for managing directors which included compliance matters. The training was held in Hamburg, Abu Dhabi, India, the US, Singapore, Malaysia, Australia, China, Brazil and Mexico.

Legacy DNV: there have been several courses on compliance and ethical matters. 'Dealing with Dilemmas' promotes integrity, transparency and a dialogue on business ethics. This course focuses on human rights issues that are relevant to legacy DNV's operations, as well as on approaches to and policies concerning fraud, bribery and anti-corruption.

'Dealing with Dilemmas' comprises an e-learning primer, which is mandatory for all employees, in addition to nano-learning and classroom modules. It raises difficult dilemmas and provides guidance on how to deal with them. In 2013, there was a push to ensure that all new employees from DNV KEMA (following the acquisition of KEMA in 2012) completed the course. *(See table 03)*.

"BOTH LEGACY ORGANISATIONS ALREADY HAD A STRONG FOCUS ON TRAINING TO MAKE THEIR EMPLOYEES FAMILIAR WITH THE COMPANIES' HIGH BUSINESS ETHICS AND ANTI-CORRUPTION STANDARDS.

TABLE 03 COMPLETION RATES OF LEGACY DNV COURSES

	2011	2012	2013
Number of employees who have completed the DwD web module	600	770	2,435
Percentage of legacy DNV employees who have completed the DwD web module	56%	59.6%	67%

TABLE 04 THE BUSINESS LEADERSHIP MODULE COURSE

	2012	2013
Number of legacy DNV managers who have attended the business ethics training	25	85

MARITIME OIL & GAS TRAINING. In 2013, a specific e-learning course was developed for the legacy DNV Maritime and Oil & Gas business area. The course contained real-life cases which were discussed by each team and focused on bribery, immigration control & facilitation payments and dealing with gifts from customers/suppliers. Line managers hosted the discussions and provided answers to the dilemmas.

A total of 470 line managers (out of approximately 1,000 in total) completed the programme together with their teams.

MANAGEMENT TRAINING. Legacy DNV included the topic of business ethics in one of its leadership development programmes in 2012. The focus of the new 'Business Leadership' module is on the individual manager's responsibilities and authority in leading his or her part of DNV's business. The ethical dimension is a natural component of this leadership. The programme will be continued in DNV GL and the organisation expects its managers to not only follow the Code of Conduct but also take responsibility for reflecting on and evaluating their ethics in what are often considered 'grey' ethical areas. *(See table 04)*.

IMPROVING OUR RESISTANCE to fraud and corruption. Legacy DNV has regularly and systematically assessed its own exposure to fraud and corruption risks and conducts its own Corporate Integrity Profile (CIP) assessment every three years. The Corporate Integrity Profile assessment aims to identify the most pertinent and relevant methods of fraud and corruption which could affect DNV GL and to assess the robustness of DNV GL's culture and systems for dealing with fraud and corruption. The CIP assessment was supposed to be conducted in 2014, but because of the merger this has been postponed to 2015. The results of the 2011 assessment are set out below.

IMPROVEMENT ACTIONS

01 Improve the job description of investigators and clarify who to report to in cases of fraud and corruption.

02 Improve the focus on fraud and corruption focus in the recruitment process.

03 Develop and implement a deployment plan to improve new and existing employees' understanding of fraud and corruption risks.

04 Incorporate compliance, fraud and corruption factors in business reviews.

05 Develop a fraud and corruption case register.

06 Improve red flag descriptions and procedures.

07 Review external corporate governance requirements.

08 Review 'most corrupt countries'.

09 Evaluate access to information and investigate the relationship between improved access to information and improved resilience/reduced fraud and corruption risks related to the compromise of information.

10 Develop fraud and corruption training for controllers.

These improvement actions will be added to the compliance programme in 2014.

ENGAGEMENT AND COMMITMENT IN THE FACE OF CHANGE

With the announcement of the merger between DNV and GL at the end of 2012, a great deal of energy in 2013 went to merger planning and then integration activities. In parallel, our people continued to focus on delivering high quality services to customers, and engagement and commitment remained high.

INTEGRATION PLANNING AND EXECUTION. During the first eight months of the year, the integration planning was led by a centralised team to ensure consistency and progress. From the closing of the merger in September, DNV GL entered the post-merger integration phase and could start implementing the integration plans, an important step toward becoming one unified company. The decision to conduct joint operations already from closing resulted in the need to execute the merger in parallel to the more detailed mapping and planning that was not permitted during standstill. The company delivered good business results according to a very tight and demanding schedule, as a result of the massive effort across the organisation throughout the last four months of the year.

Significant effort was put into bringing more than 5,000 GL and 10,000 DNV employees together through common systems and processes. These support a common culture and create a flexible work environment with career and competence development opportunities across the organisation, regardless of geography and career track. The new organisational structure was implemented in IT systems by 1 January 2014. In addition, a common group-wide management system, applicable for all employees, was launched on 1 December. Based on learnings from the integration of the KEMA acquisition, the establishment of a common IT platform as quickly as possible was deemed critical to a successful integration. Some of the most important accomplishments were the short-term IT deliverables, including equal access to information via IT bridges, which made it possible for employees to start working together. All employees will be on the DNV VerIT platform within the first half of 2014.

NEW ORGANISATIONAL STRUCTURE. DNV GL is organised in a group structure, with four business areas – Maritime, Oil & Gas, Energy and Business Assurance – the independent business unit Software, a Group Centre, and a Global Shared Services organisation. Setting up a completely new shared services organisation to be operational by 1 January 2014 was demanding, but when looking at the competitive landscape, such a structure is necessary to ensure control over quality and costs, as well as facilitate common processes and cooperation.

“SIGNIFICANT EFFORT WAS PUT INTO BRINGING MORE THAN 5,000 GL AND 10,000 DNV EMPLOYEES TOGETHER THROUGH COMMON SYSTEMS AND PROCESSES.

TABLE 05 WORKFORCE BY EMPLOYMENT CONTRACT

Employee class	Female	Male	Total
A – Permanent employee	4,583	10,659	15,242
C – Contract	202	663	865
S – Subcontractor	1,001	3,862	4863
X – Extraordinary	351	525	876
Total	6,137	15,709	21,846

Employee classes: Employee differentiation is necessary for DNV GL, especially with regard to the different employment regulations applicable to these classes.

TABLE 06 FORMAL TRAINING INTERNAL AND EXTERNAL

Employee class	Sum hours	Hours /empl.
A – Permanent employee	1,039,357	18.77
C – Contract	22,184	14.62
N – Agent/ Non-exclusive	486	11.87
S – Subcontractor	35,183	14.30
X – Extraordinary	5,205	12.60
Total	1,102,415	18.44

- **A – Permanent employee:** DNV GL has the responsibilities of an employer and the employee is on DNV GL's payroll.
- **C – Contract:** Same as 'A' but time limited: Personnel with a defined contract end-date. The contract is typically for over one year.
- **N – Agent/Non-exclusive:** Surveyors within classification services
- **S – Subcontractor:** Consultants, long-term hired. Paid by invoice only.
- **X – Extraordinary:** Temporary personnel: paid either by invoice or by DNV GL. Examples: summer temps, maternity leave cover, seasonal workers, graduates.

TABLE 07 WORKFORCE WORLDWIDE CLASS A EMPLOYEES

	Employees		Females (%)		Turnover (%)[1]		Expatriates (%)[1]		Local mgmt[2] (%)	
	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013	2012[1]	2013
Africa	61	**143**	23.0	**22.4**	6.6	**8.2**	14.8	**4.9**	54.6	**86.7**
Asia/Oceania	2,249	**3,364**	28.3	**26.8**	7.9	**8.3**	8.4	**5.3**	74.2	**83.1**
Europe	2,846	**5,713**	31.7	**30.0**	10.9	**6.8**	1.1	**0.6**	89.1	**88.7**
Middle East	180	**516**	26.7	**14.1**	15.7	**4.1**	7.2	**2.7**	0.0	**6.0**
Nordic	2,948	**3,085**	33.8	**33.8**	7.4	**6.3**	0.3	**0.4**	90.7	**78.2**
North America	1,577	**2,008**	35.5	**33.3**	22.4	**14.0**	1.8	**1.2**	83.4	**87.3**
South America	343	**413**	40.2	**36.6**	18.8	**10.3**	1.5	**1.0**	92.5	**93.0**

[1] Legacy DNV only [2] Local management – managers with country's citizenship

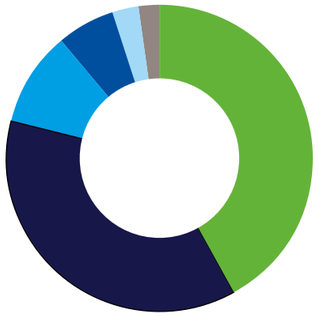
DNV Petroleum Services (DNVPS), which was not part of the merger, was sold to IK Investment Partners (IK), a private equity firm, in November. There were also some divestments in DNV KEMA during the year as part of its Focus to Grow strategy.

At year-end, the total number of permanent (class A) employees was 15,242. It is positive that no increase in turnover was seen as a result of the merger. The largest countries in terms of number of employees are now Norway, Germany, US, UK and China, with more than 1,000 employees each; 20 countries have more than 100 employees. The process of merging offices started already in September 2013. By the end of the year, the number of offices was reduced by 40, bringing the total number of offices to 532. 140 more office reductions are planned.

TRANSPARENT SELECTION OF NEW MANAGEMENT. Selecting the management for DNV GL was one of the first critical initiatives necessary to establish the new organisation. The Executive Committee (EC) was named before closing, with candidates proposed and assessed by the future DNV GL Group President & CEO, Henrik O. Madsen in cooperation with the Chairman of the Board of DNV and the GL owner, Mayfair. Executive leadership teams were then established for all business areas, to be operational at closing.




FIGURE 04 EMPLOYEES, LEVEL OF EDUCATION



Master	42%
Bachelor	37%
Other	10%
Doctorate	6%
2-year college	3%
Technical / professional	2%
Sum: Bachelor, Master or PhD level degree	85%

Education levels are largely captured through an employee self-service system.

A centralised management selection process was conducted for the next management levels across the organisation during the second half of 2013. 790 positions were handled with support from a central team. The recruitment process was designed to be fair, transparent and based on merit. Efforts were also made to ensure retention of the people DNV GL will need to lead the organisation through the continuing transition and years to come.

Candidates from both companies were given equal opportunities, and there were no quotas. In this process, 67% of the positions went to legacy DNV managers and 33% to legacy GL managers, which is representative of the size of the legacy organisations.

MAINTAINING DIVERSITY. DNV GL strives for the diversity in the workforce to be reflected at all management levels, and diversity was emphasized as criteria in the management selection process. The gender and age profile of the managers appointed were within expectations considering the profile of the legacy organisations. The proportion of female managers is now 19% (the proportion of female managers was 22% in DNV and 12% in GL).

The number of different nationalities among employees reached 117, a record high, and 24 of these nationalities represent 100 or more employees. A career in DNV GL should not be hindered by nationality or gender if the employee has the competence, attitude and values needed for the role. Before a non-local (international assignee) can be hired, special approval must be granted. This is to ensure that the company continues to build up its local competence where possible. In legacy DNV, 2.7% of employees were on international assignment at year end.

DESPITE THE UNCERTAINTY IN THE ORGANISATION DUE TO THE FORTHCOMING MERGER, THE RESULTS FROM THE SURVEY PERFORMED AMONG LEGACY DNV EMPLOYEES IN JUNE 2013 SHOWED AN OVERALL POSITIVE TREND COMPARED TO 2012.

DNV GL PROMOTES DIVERSITY IN ITS WORKFORCE. THE NUMBER OF DIFFERENT NATIONALITIES AMONG EMPLOYEES REACHED 117, A RECORD HIGH, AND 24 OF THESE NATIONALITIES REPRESENT 100 OR MORE EMPLOYEES.

The acquisition of KEMA and the merger with GL have resulted in a modest decrease in the percentage of female employees; the year-end figure for 2013 was 30%. Women are most represented in support functions, and least represented among surveyors and specialists. When taking into account criteria such as education and work experience, the difference in salary between male and female employees is less than 2% from the average (based on legacy DNV data).

The education level of employees remains high. Newly hired employees had a higher level of education compared to those leaving. According to employee-registered data (for 9,114 employees), 85.2% have or are currently undertaking a bachelor, master or doctorate-level education. The average age of employees increased slightly, to 42.2 years.

INCREASING ENGAGEMENT. In 2013, DNV continued to use the People Engagement Process to identify issues in the work environment that should be addressed by management on different levels – from Group to local unit level. The annual survey results provide managers with actionable data on topics to prioritise, which are then measured again in the next year's survey. Despite the uncertainty in the organisation due to the forthcoming merger, the results from the survey performed among legacy DNV employees in June 2013 showed an overall positive trend compared to 2012.

FIGURE 05 WORKFORCE BY AGE GROUP

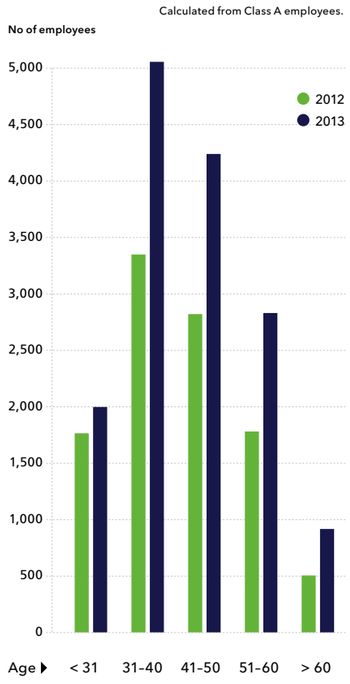
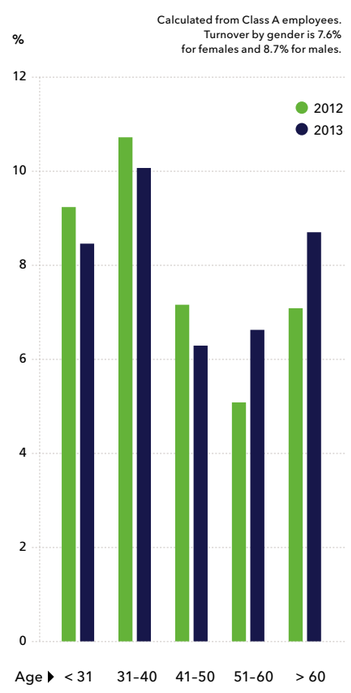


FIGURE 06 TURNOVER BY AGE GROUP



Analysis showed a clear correlation between actions taken since the last survey and the impact on engagement and enablement across the organisation. In line with this, turnover among legacy DNV employees decreased again in 2013 to 8.0%.

There were a number of activities to inform employees and bring people together in the new organisation. Comprehensive information packages were delivered to managers and employees at closing, town hall meetings with senior managers were live streamed globally, and 'joining together' meetings were held in large locations in many of the business areas. The communication and engagement process around the DNV GL Strategy started in November through a series of global live-streamed meetings for each business area, Software and Global Shared Services.

During the course of 2013, temperature check surveys were conducted in both DNV and GL to gather regular input from a representative sample of employees to assess employee perceptions of the merger and merger-related communications. The results showed a strong commitment to making the merger a success, and no major differences in the results between the two legacy organisations were reported.

DURING THE COURSE OF 2013, TEMPERATURE CHECK SURVEYS WERE CONDUCTED IN BOTH DNV AND GL TO GATHER REGULAR INPUT FROM A REPRESENTATIVE SAMPLE OF EMPLOYEES TO ASSESS EMPLOYEE PERCEPTIONS OF THE MERGER AND MERGER-RELATED COMMUNICATIONS.

WORKS COUNCILS AND UNIONS. DNV GL employees have the right to be organised in a union, which the company has committed to through its signing of the UN Global Compact. Both DNV and GL had established collective bargaining type agreements and works councils in a number of countries. In legacy DNV, these represent approximately 40% of employees. Minimum notice periods regarding operational changes are typically included in these agreements but also depend on local legislation. In addition, several countries have other voluntary employee organisations. DNV and GL also have had active European Works Councils. In addition, DNV had other regional and global employee forums. The structure and composition of these may change in 2014 as a result of the merger. □

COMMITTED TO ENVIRONMENTAL AWARENESS

DNV GL's approach to safeguarding the environment is threefold; a focus on a positive global impact on the environment through our services, continuously improving the environmental footprint of our operations, and helping our employees improve their personal environmental footprint.

DNV GL complies with the ISO 14001 standard for environmental management systems and is certified by the German certification body TÜV Rheinland Cert. Gmbh.

Annual environmental reporting is mandatory for all locations in legacy DNV with more than 40 employees and all but two such locations submitted environmental reports in 2013. For these two locations, it was unfortunately not possible to obtain the data required for reporting. Based on the number of employees at the end of 2013, the environmental reports represent approximately 73% of the company. Some locations only reported either their energy consumption or their generated waste.

Legacy GL has not implemented common environmental reporting procedures and tools. Due to the implementation time required for a common environmental management system and tools, we were unable to integrate legacy GL's environmental performance indicators into a common DNV GL environmental performance report. All the environmental performance analysis, tables and graphs therefore exclude legacy GL.

ENERGY CONSUMPTION. In 2013, a total of 45 locations comprising 7,499 employees reported their energy consumption. Due to problems in data collection, two locations with more than 40 employees were not included in the energy consumption statistics. The total reported energy consumption for 2013 was 61.5 GWh *(table 09)*. Locations that did not participate in the environmental reporting for 2012 consumed 17.1 GWh. Of the 2012 figures, 3.8 GWh related to DNV Petroleum Services and were not included in the 2013 figures. Together, the locations that reported for both years experienced a decrease in the reported energy consumption of approximately 3.5% compared to 2012.

SPECIFIC ENERGY CONSUMPTION increased to about 8.2 MWh per person in 2013 – up 7.9% from 7.6 MWh per person in 2012. More energy-intensive activities in laboratory and test sites at two locations reporting for the first time in 2013 accounted for this increase. The non-renewable energy used on-site at the reporting locations increased by about 486% compared to 2012.

Most of this significant increase related to the consumption of 811,850 kg gas on-site at two locations reporting for the first time in 2013. Together, the locations that reported their gas consumption for both years decreased their consumption by 15% compared to 2012. Oil consumption at the DNV GL Centre at Høvik continued to decrease – from 44,186 kg in 2012 to 7,435 kg in 2013. This was due to the installation of a heating pump and ventilation aggregate that resulted in improved heat recovery unit efficiency *(table 10)*.

TABLE 08 ANNUAL ENVIRONMENTAL REPORTING STATISTICS

		2011	2012	2013	2013 excl. legacy GL
Reporting	Locations	38	46	45	45
	Employees[1]	5 839	6 718	7 499	7 499
Legacy DNV total	Locations[2]	278	318	518	291
	Employees[1]	8 453	10 529	16 130	10 304
Percentage reporting[3]		69%	64%	47%	73%

1 Employees on permanent and long-term contracts **2** Includes minor site offices **3** Based on number of employees at reporting locations

The principle for classifying electricity from the grid according to source was changed to two groups: ordered renewable electricity off-site and general electricity off-site. Ordered renewable electricity off-site covers renewable electricity from the grid that has been ordered specifically by the locations. General electricity off-site covers all other electricity from the grid – general electricity from the grid delivered when no action was taken to select the source of energy desired.

The country factors for calculating CO_2 emissions are used for this group. This change in the presentation of electricity from the grid is reflected for all years in *figures 07 and 08*. The main reason for this change in classification principle is that for many countries it has been impossible to accurately determine the distribution of general electricity from the grid according to source. We have therefore been unable to calculate accurate total figures for the electricity distributed according to renewable and non-renewable sources and consider it more useful to follow up the fraction of renewable electricity off-site that we can influence ourselves.

In 2013, the specifically ordered renewable electricity off-site was 3.0 GWh. The 2012 figures include 1.3 GWh relating to DNV Petroleum Services, which is not included in the 2013 figures.

Together, the locations that reported their electricity consumption for both years experienced an increase of approximately 0.4 GWh in the reported specifically ordered renewable electricity off-site compared to 2012.

EMISSIONS TO AIR. The calculated emissions to air include the following sources:

- **Direct emissions (Scope 1):** emissions from the combustion of oil and gas from production of heat at locations managed by DNV GL
- **Indirect emissions (Scope 2):** emissions from the production of heat or electricity procured by DNV GL but produced at sites not managed by DNV GL

The CO_2 emissions at the reporting locations in 2013 were approximately 13,136 tonnes *(table 11)*. Locations reporting for the first time represented about 4,247 tonnes of the overall emissions. Locations reporting in both 2012 and 2013 showed a decrease in CO_2 emissions of about 11% compared with 2012. This drop in emissions resulted from a decrease both in the use of energy sources with high emissions per kWh and in energy consumption.

The specific emissions for all the reporting locations rose to 1.8 tonnes of CO_2 per person in 2013, up 5.9% compared to 2012. This increase resulted from the high use of non-renewable energy on-site by two of the locations reporting for the first time in 2013.

The estimated SO_X emissions decreased by 1.8% compared with 2012, while NO_X emissions increased by 1.7% for the same period.

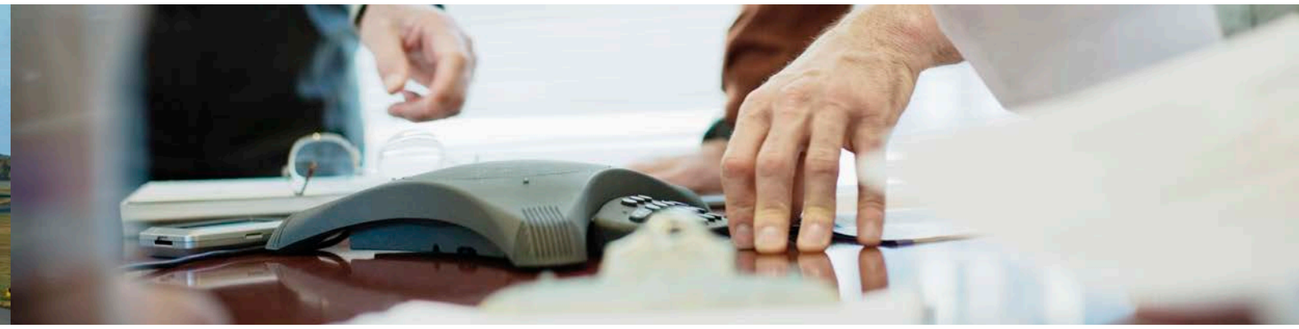


TABLE 09 ENERGY CONSUMPTION (GWH) REPORTED

Source	2011	2012	2013	Change
Electricity	38.5	40.9	43.3	5.9%
District heating	0.8	1.3	1.2	-7.7%
Renewables (on-site)	6.6	5.4	4.1	-24.1%
Non-renewables (on-site)	3.4	2.2	12.9	486.4%
Sum (GWh)	**49.3**	**49.8**	**61.5**	**23.5%**
MWh/person in reporting locations	8.6	7.6	8.2	7.9%

TABLE 10 DIRECT ENERGY CONSUMPTION (SCOPE 1) DISTRIBUTED ACCORDING TO SOURCES

Source	2011	2012	2013
Renewable energy (on-site) (Gwh)	6.6	5.4	4.1
Heat pump	100%	100%	100%
Non-renewable energy (on-site) (Gwh)	3.4	2.2	12.9
Oil (kg)	197 234	44 186	7 435
Gas (kg)	90 418	125 155	918 262
Coal (kg)	0	0	0

TABLE 11 CO_2 EMISSIONS FROM REPORTING LOCATIONS (TONNES)

	2011	2012	2013	Change
Scope 1	850	445	2 172	511%
Scope 2	8 689	10 941	10 964	0.2%
Sum (tonnes CO_2)	9 539	11 386	13 136	20.2%
Tonnes CO_2 / person in reporting locations	1.7	1.7	1.8	5.9%

TABLE 12 ESTIMATED NO_x AND SO_x EMISSIONS FROM REPORTING LOCATIONS (TONNES)

	2011	2012	2013	Change
SO_x	0.7	0.4	2.4	500%
NO_x	0.3	0.2	0	

This resulted from the reduction in oil combustion on-site and the increase in gas combustion on-site at reporting locations *(table 12)*.

CO_2 EMISSIONS FROM AIR TRAVEL. DNV GL has implemented a common global tool accounting for mileage and CO_2 emissions related to business flights. Air travel is an integral part of DNV GL's work, so the intention is not to stop travelling, but rather to increase employees awareness of their travel footprint. Our CO_2 emissions from business air travel are shown in *table 13*. It has not been possible to verify the reported figures.

The calculated CO_2 emissions from business air travel per employee decreased to 1.15 tonnes in 2013 from 1.40 tonnes in 2012. Part of this drop is assumed mainly to reflect underreporting due to delays in implementation of the recording system in legacy KEMA.

IT AND ENVIRONMENTAL IMPACT. Information Technology (IT) is an important tool for reducing the environmental footprint and DNV GL concentrates on two main areas:

(1) Further optimising power consumption in computing. The main ways of reducing the power consumption in the IT infrastructure are the increased virtualisation of servers, a continuous focus on reducing the energy used by the Global Data Centres and the increased use of flash disks. In 2013, we reached close to 70% virtualisation of servers in the Data Centres and terminated a significant number of physical servers. Another important step was the implementation of flash disks in DNV GL's large disk arrays.

(2) Video conferencing facilities and collaboration enable DNV GL employees to work together effectively across geographical distances. The IT programme, launched in 2011, to enable effective collaboration across its global organisation is continued. The programme delivers collaborative tools such as search technologies, collaboration spaces, video-streaming facilities and an internal social media solution that enables employees to share knowledge and access the global pool of expertise.

According to a survey, 85% of the employees find that collaboration tools make it easy to connect with colleagues in other locations – and these tools are being widely used as a substitute for physical meetings.

Soon after the merger was approved in Q3 2013, these collaboration capabilities were further expanded to include all 16,130 DNV GL employees. This valuable asset is already enabling the merged organisation to operate as one company and will be essential for DNV GL's utilisation of shared competence across geographies – while at the same time reducing the need to travel.

High-end video conferencing surpassed 34,000 meeting hours in 2013 and showed a steady increase from 5,000 hours in 2010, the year of its launch. DNV GL currently possesses 150 high-end video conferencing systems in more than 70 different locations worldwide.

FIGURE 07 ENERGY CONSUMPTION IN THE REPORTING LOCATIONS

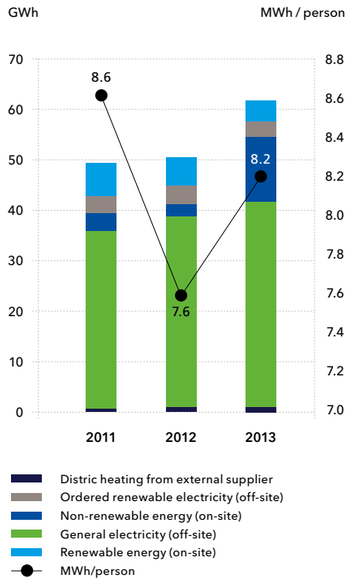
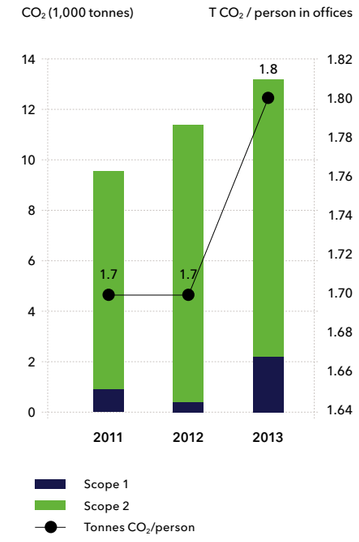


FIGURE 08 EMISSIONS OF CO_2 FROM REPORTING LOCATIONS



The CO_2 emissions were calculated based on the energy consumption reported by the locations. The recommendations set out in the Greenhouse Gas Protocol (World Business Council for Sustainable Development and World Resources Institute). Indirect emissions from electricity and district heating were calculated using country-specific grid-average emission factors published by the International Energy Agency and retrieved from its data service website (http.//data.iea.org).

The direct emissions of sulphur oxide (SOx) and nitrogen oxide (NO_x) were calculated using source-specific emission factors obtained from the Norwegian Climate and Pollution Agency (Norwegian Emission Inventory 2011). Due to the lack of region- and source-specific emission factors, the NO_x and SO_x emissions were estimated at a high level only. SO_x and NO_x emissions to be included were not calculated for electricity from the grid and district heating, and this change of principle was also retroactively applied to 2011 and 2012 in table 4.

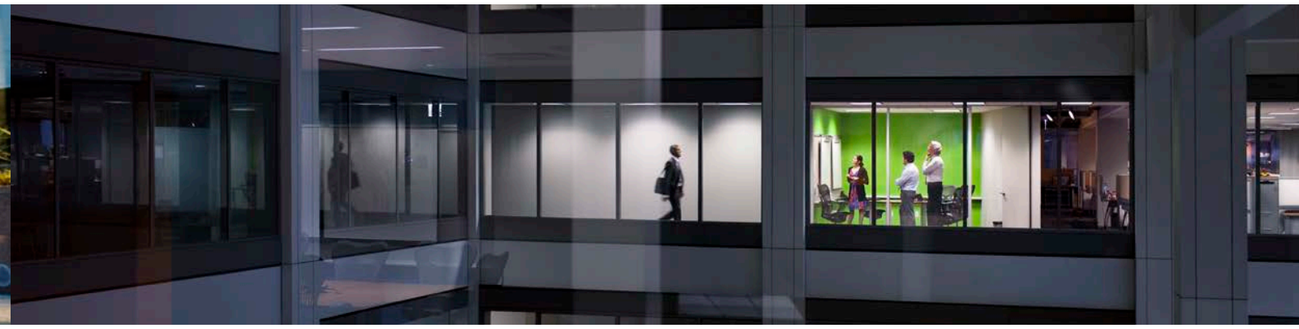
WASTE. Thirty-eight locations comprising 6,942 employees reported their generated waste in 2013. The amount of waste generated at the reporting locations in 2013 was 1,000 tonnes, with locations reporting for the first time representing about 215 tonnes of this amount. Locations that did not report the waste they generated in 2013 reported 175 tonnes of generated waste in 2012. For the locations reporting in both 2012 and 2013, generated waste increased by 15% compared to 2012. This increase relates mainly to a few locations where the waste handling processes were improved and this also resulted in the improved recording of waste.

TABLE 13 CO_2 EMISSIONS FROM BUSINESS AIR TRAVEL (TONNES)

	2011	2012	2013
Legacy DNV total	10 449	12 461	12 069
Per employee	1.24	1.40	1.15

TABLE 14 AMOUNT OF WASTE GENERATED AT REPORTING LOCATIONS (TONNES)

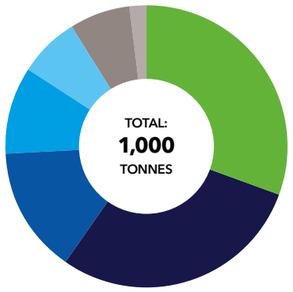
	2011	2012	2013
Legacy DNV total	983	859	1000
Reporting locations	38	34	38
kg/person	183	120	144



The specific waste generation for all the reporting locations increased to 144 kg per person in 2013, up 20% from 120 kg per person in 2012 *(table 6)*. This increase in waste per employee was due to waste-intensive testing and laboratory activities at several of the locations reporting waste for the first time in 2013 and to improved control and recording at some locations. For waste in tonnes distributed according to disposal methods, please see *figure 09*. *Figure 10* shows reported waste in kg per type of waste.

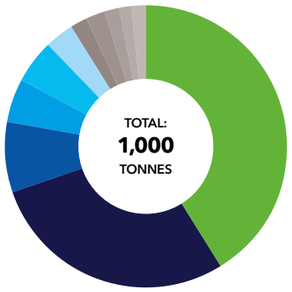
Hazardous waste decreased from 177 tonnes in 2012 to 22 tonnes in 2013. This significant 88% decrease in hazardous waste was due to the fact that DNV Petroleum Services' tested oil samples were not a part of DNV GL in 2013. Hazardous waste is disposed of by authorised handlers. The disposal method varies depending on the type of substance and also from country to country. Some hazardous waste is cleaned and reused, some is recycled and for some the disposal method is unknown. Disposal method determination also varies from country to country, with most of the information provided by disposal handlers and also, in many countries, by the landlord.

FIGURE 09 **REPORTED WASTE IN TONNES** PER DISPOSAL METHOD



Recycling	307
Incineration	292
Energy recovery	144
Landfill	98
Reuse	70
Disposal methods unknown	69
Composting	17

FIGURE 10 **REPORTED WASTE IN KG** PER TYPE OF WASTE



Residual waste	412 081
Paper/cardboard	287 195
Bio/organic waste	79 577
Furniture	50 490
Metal	49 237
Wood or wood waste	33 010
Hazardous waste	22 183
Non-hazardous chemicals	19 716
Plastic	17 400
Electronic and electrical waste	14 943
Masses and inorganic waste	14 611

FOR THE SIXTH YEAR RUNNING, LEGACY DNV HAS IMPLEMENTED AN ENVIRONMENTAL PROGRAMME, 'WE DO'. THE PROGRAMME HELPS TO DEFINE EXPECTATIONS FOR EMPLOYEES AND REWARD THEM FOR THEIR POSITIVE CONTRIBUTIONS TO REDUCING THEIR PERSONAL ENVIRONMENTAL IMPACT.

WASTE HANDLING PLAN. A waste management plan for the DNV GL centre at Høvik was implemented in 2013. It aimed to improve the waste handling by measuring, increasing and controlling the degree of waste separation and achieving the most sustainable disposal methods. An important action to achieve the goal was to establish one subcontractor handling all waste, including hazardous waste from the laboratories.

The subcontractor is a licensed receiver of all types of hazardous waste and will dispose the waste in a proper manner and according to local regulations. The subcontractor will report monthly on waste and quarterly on non-conformances. The focus for 2014 will be to improve handling of waste in addition to awareness campaigns and improved information to increase awareness among employees.

REWARDING EMPLOYEES. For the sixth year running, legacy DNV has implemented an environmental programme, 'WE do'. The programme helps to define expectations for employees and reward them for their positive contributions to reducing their personal environmental impact.

Permanent employees can select a project from an approved list and apply for a reimbursement of 2/3 of the project cost – up to a maximum amount of NOK 10,000 before taxes.

In 2013, legacy DNV set aside NOK 40 million for the programme, NOK 7 million more than the previous year's amount due to the high level of employee engagement, and over 4,000 applications were made. The most popular project is the 'Bicycle to work' initiative with 1,624 applications. Employees registered a total of 1,332,100 kilometres in distance cycled in 2013 – equal in length to 33 times around the world or 3 times to the moon.

DNV GL Seattle moved to a LEED (Leadership in Energy & Environmental Design) Silver Building in July 2013. The consolidation of two local offices into one reduced the environmental footprint by centralising operations. The new office space utilises occupant-sensing light switches and daylight harvesting to automatically dim office lights when natural light is available.

A separate electricity meter was installed in order to track the results of the energy-efficiency initiatives. Smart power strips that automatically shut off to eliminate standby-power draw when users are away were deployed. The office building was completed using environmentally friendly and recycled flooring, countertops and paint and all appliances are certified for energy efficiency.

THE MOST POPULAR PROJECT IS THE 'BICYCLE TO WORK' INITIATIVE WITH 1,624 APPLICATIONS. DNV EMPLOYEES REGISTERED A TOTAL OF 1,332,100 KILOMETRES IN DISTANCE CYCLED IN 2013 – EQUAL IN LENGTH TO 33 TIMES AROUND THE WORLD OR 3 TIMES TO THE MOON.

DNV GL also chose the location for its access to mass transit, bicycle parking space and free access to an employee fitness centre. The majority of the office furniture from the former location was reused and any furniture not brought to the new office was donated to non-profit organisations or staff, minimising the waste generated by the move.

The new office also added composting to an already robust recycling programme that includes the recycling of metals, plastics, glass, paper, batteries, electronics and hazardous wastes. In addition, the DNV GL Seattle office has proactively sought methods to increase the impact of its recycling programme by finding a local company that recycles bottle caps made of a type of plastic not accepted by city recycling operations.

Furthermore, the office donates used mobile phones to charity and encourages employees to bring electronics, batteries and light bulbs from home to work for recycling. Making these resources available to employees increases the reach of DNV GL Seattle's environmental initiatives and encourages employees to live in a sustainable way.

Tree Planting Drive in Mumbai, India. The Mumbai office planned a Green Day at the Wet Waste Management Centre at Versova village, Andheri, as a way of celebrating Environment Day on 5 June. The organiser of the event, United Way of Mumbai (UWM), supported the Mumbai office initiative. UWM's goal is to convert wet waste into organic manure.

Around 25 DNV GL employees who took part in the event were welcomed by the United Way Mumbai co-ordinators and were provided with planting equipment and the required personal protective equipment. These participants were then divided into two groups. One group at the Wet Waste Centre dug pits and then planted the saplings while the second group planted saplings in a nearby garden.

UWM has arranged for year-long maintenance of the planted saplings and will submit quarterly reports on the care of the trees. The experience of planting trees generated enthusiasm and fun for everyone participating in the GREEN experience. □

THE CONSOLIDATION OF TWO LOCAL OFFICES INTO ONE REDUCED THE ENVIRONMENTAL FOOTPRINT BY CENTRALISING OPE-RATIONS. THE NEW OFFICE SPACE UTILISES OCCUPANT-SENSING LIGHT SWITCHES AND DAYLIGHT HARVESTING TO AUTOMATICALLY DIM OFFICE LIGHTS WHEN NATURAL LIGHT IS AVAILABLE.

To read about our environmental impact of our services, please see:

dnvgl.com/about-dnvgl/sustainability/overview/impacts_risks_opportunities.aspx

MANAGING OUR OWN RISKS

DNV GL's purpose – to safeguard life, property and the environment – brings with it the responsibility to pay extra attention to the safety and health of our employees. To this end, we are continually strengthening our processes for supporting them.

DNV GL is certified to the OHSAS 18001 standard by the German certification body TÜV Rheinland Cert. Gmbh. Legacy GL and legacy DNV have applied different definitions, formats and tools in their occupational health and safety (H&S) performance reporting systems. Due to the time required to implement a common H&S management system and tools, we were unable to integrate the two legacies' H&S performance results in common DNV GL H&S statistics and analysis. All the occupational health and safety analyses, tables and graphs, except for *table 16* and *figure 11*, therefore exclude legacy GL.

OCCUPATIONAL HEALTH AND SAFETY PERFORMANCE, LEGACY GL. Throughout legacy GL, 263 work-related incidents were reported in 2013, representing 0.04 reports per employee – an increase from 0.02 per employee in 2012. *Table 16* shows legacy GL's H&S performance results for 2013 and *figure 11* shows the legacy GL incident performance summary for the last three years. Here we see that the significant increase in reports per employee is mainly related to near accidents and safety observations.

OCCUPATIONAL HEALTH AND SAFETY REPORTS, LEGACY DNV. The occupational health and safety reports include hazards and incidents involving employees and contractors working for and on behalf of legacy DNV and members of the public visiting legacy DNV's premises. Throughout legacy DNV, 1,186 work-related incidents and hazards were reported in 2013, representing 0.11 reports per employee – an increase from 0.09 per employee in 2012. This reporting ratio is still considered to be too low and an indication that incidents and hazards are under-reported. We have reason to believe that the under-reporting mainly relates to near accidents and hazards. The reporting culture varies between countries and business areas. In several countries and business areas, there is still a need for increased awareness of the importance of reported incidents and hazards for organisational learning as the basis for improved health and safety performance. In 2013, legacy DNV operations in Korea and Brazil showed the powerful effect of a strong management focus on the importance of reporting. They increased their number of reports by 53% and 170% respectively.

TABLE 16 **SAFETY INCIDENT STATISTICS** LEGACY GL

Measurement	Total	Frequency*
Lost Time Incidents (Accidents)	11	1.67
Work-Related Incidents	52	7.9
Near Misses and Safety Observations	200	30.5

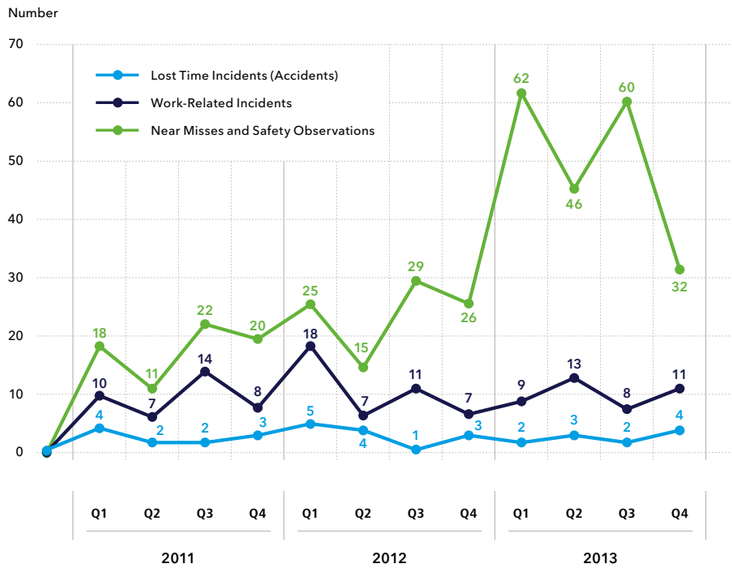
* Frequency: Number of incidents per thousand employees.

Lost Time Incident: An injury which leads to an individual being unfit to perform any work on any day after the incident, including days where the individual normally has time off, or refusing to work due to unsafe conditions.

Work-Related Incident: If an event or exposure in the work environment is either caused by, or judged to have significantly contributed to, an injury, or aggravated a pre-existing condition, then the case is considered to be work-related.

Near Misses: An event or sequence of events that did not cause an incident but could have done so if conditions had been slightly different. (Also a refusal to work due to unsafe conditions.)

FIGURE 11 **INCIDENT PERFORMANCE SUMMARY** LEGACY GL



In reporting and managing incidents and hazards, DNV GL has implemented the Synergi Life occupational health and safety module developed by DNV Software. This includes the use of the Synergi Life Mobile App for immediate reporting following an occurrence - at any time and any place. This mobile app lets users easily include pictures and make voice recordings.

A significant objective of incident and hazard reporting is to share gained experience across organisational borders, hence there is no strict limitation on access to the incident and hazard database. Reference to gender is not included in the system in order to limit the possibility that the identity of a person may be disclosed, and nor is such information considered relevant for the optimal allocation of resources to occupational health and safety improvement activities; accordingly, the H&S statistics do not show the distribution of incidents according to gender.

In connection with the changeover to Synergi Life, a change in reporting principles has also been implemented. Cases are now allocated to the year when the incident occurred rather than the year when the incident was recorded.

This affects the occupational health and safety statistics in that the results of the previous year will change when an incident is recorded in the year after it occurred. In the statistics, this new principle has been applied to 2013 but not to the 2009–2012 period.

Of the 1,186 incidents and hazards reported in 2013, 28% were assessed as having a medium and high loss potential. More than 79% of those were related to surveys and inspections and 14% were related to driving, transport and travelling.

Figure 12 shows the distribution according to work process of incidents and hazards assessed as having a medium and high loss potential.

The number of incident and hazard reports per million worked hours varies for the different regions – between 0.05 per employee in Norway and 0.19 in Asia/Oceania. These differences are assumed to reflect both differences in occupational health and safety standards and differences in reporting culture. *Figure 13* shows how the accidents and occupational health issues per million worked hours and the number of reports per employee are distributed according to region.

SICKNESS ABSENCE. The total sickness absence rate decreased to 2.1% in 2013, down from 2.2% in 2012. This level is considered acceptable.

TABLE 17 **HEALTH AND SAFETY INCIDENTS STATISTICS, LEGACY DNV**

	2009	2010	2011	2012	2013*
Fatal accidents	0	0	0	1	0
Lost time accidents	43	39	32	34	38
Injury accidents	82	108	101	120	124
Occupational health issues, with absence	15	13	17	17	19
Near accidents	175	202	246	270	283
LTA	2.5	2.5	2.0	1.9	2.0
SAI	26.1	28.8	25.2	36.0	14.7
IAF	4.8	6.8	6.4	6.6	6.5
Total Sickness Absence Rate (%)	2.1	2.2	2.4	2.2	2.1

* DNV Petroleum Services' results are included from 2009 through to and including the first three quarters of 2013.

Lost time accident: Accident resulting in injury to people and work absence ≥ 8 hrs

Injury accident: Accident resulting in injury to people and work absence < 8 hrs

Occupational health issue: Working environment conditions (including the psychosocial work environment and musculoskeletal load), exposure to which over a period of time results in illness, or a normal work activity resulting in illness.

Work-related: An occurrence during the performance of duty on behalf of DNV GL. Duty includes work or travelling to and from any location on behalf of DNV GL, or participating in team work and social events organised by DNV GL. Occurrences during travel between home and an employee's DNV GL home office is not work-related in this context.

LTA (Lost Time Accident Frequency): Number of Lost Time Accidents / million worked hours

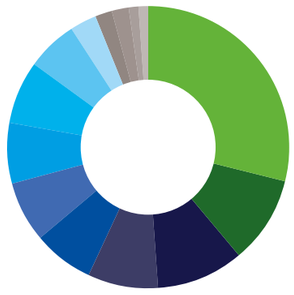
SAI (Severity Accident Index): Number of days absence due to Lost Time Accidents / million worked hours

IAF (Injury Accident Frequency): Number of Injury Accidents / million worked hours

Total Sickness Absence Rate (%): Average last 12 months ((Total sickness absence hours) / Number of worked hours) x 100

Million worked hours: In the safety and health incidents statistics this represents hours worked by employees on permanent and long-term contracts.

FIGURE 12 **DISTRIBUTION OF MEDIUM AND HIGH LOSS POTENTIAL INCIDENTS AND HAZARDS** ACCORDING TO WORK PROCESS



General field work	29%
Building inspection	10%
Working at height	10%
Witnessing	8%
Driving	7%
Office work/social arrangements	7%
Confined space entry	7%
Transport / travelling	7%
High power / voltage testing / inspections	6%
Testing	2%
Transfers	2%
Sea trials / voyage serveys	2%
Lifting/transport of heavy equipment	1%
Wind turbine inspection	1%

ACCIDENTS AND OCCUPATIONAL HEALTH ISSUES. The accident categories 'slips, trips or falls', and 'hit against, being struck by objects or squeezed, trapped and nipped' represent 31% and 44% respectively of the 162 accidents resulting in injury to people.

Of the 61 occupational health issues reported, the most common causes were 'overstrain, exertion or repetitive strain' (52%), 'exposure to too high or low temperatures, or inadequate lighting or air quality' (20%) and 'high workload' (13%).

LOST TIME ACCIDENTS AND OCCUPATIONAL HEALTH ISSUES LEADING TO AN ABSENCE ≥ 8HOURS. Lost time accidents per million worked hours (LTA) has increased by 5% compared to 2012, while the number of days' absence due to lost time accidents per million worked hours (SAI) has decreased by 59%. This result is due in part to less serious lost time accidents, but may also be affected by incomplete recording of the absence hours related to accidents because of delays in the implementation of the new recording process related to the new software. The most common types of lost time injuries were fractured bones and dislocated joints (29%), sprains and strains (29%) and bruises and contusions (21%).

In 2013, the number of occupational health issues resulting in absences was 1.0 per million worked hours, an increase from 0.9 in 2012. The number of days' absence due to occupational health issues increased to 9.5 per million worked hours in 2013, up from 7.7 in 2012. The majority of the illness hours off due to occupational health issues were related to office work (68%) and surveys and inspections (26%). Most of the illness hours off due to occupational health issues were related to fatigue (44%) and muscular strain (41%).

FIGURE 13 **ACCIDENTS AND OCCUPATIONAL HEALTH ISSUES PER MILLION WORKED HOURS AND NUMBER OF REPORTS PER EMPLOYEE PER REGION**

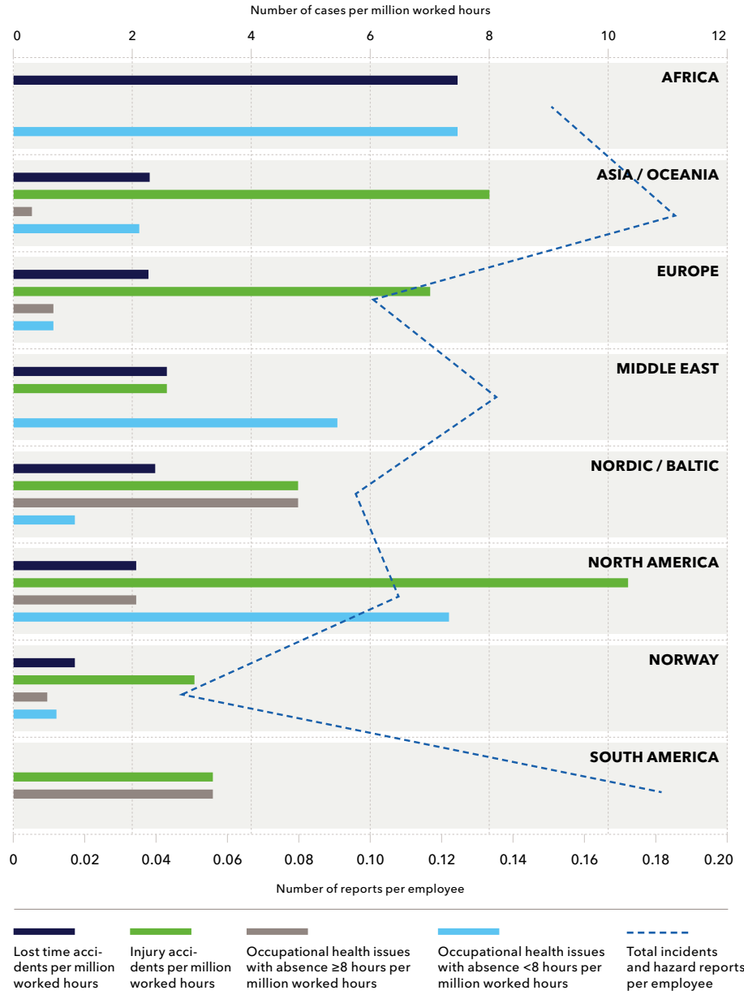


TABLE 18 ACCIDENTS AND OCCUPATIONAL HEALTH ISSUES LEADING TO AN ABSENCE OF ≥8 HOURS PER TYPE OF EVENT AND WORK PROCESS

Type of event / Work process	Bunker survey	Confined space	Driving	General field work	Laboratory	Lifting/transport of heavy equipment	Material testing	Office work	Sea trials/voyage surveys	Social events/teambuilding	Transport/travelling	Witnessing	Working at heights	**Grand total**
Assult/mugging	1													**1**
Cold/heat								2						**2**
Cought up in equipment				1										**1**
Exposed to chemicals immideate		1		1										**2**
Fall from higher level								1						**1**
Fall on same level – slips/trips/falls	2	2		4				3	1	2	4		1	**19**
Falling object								1						**1**
Hit againts			5	1	1			1	1	1				**10**
Inadequate air supply							1	3						**4**
Insect/animal bite				1							1			**2**
Other												1		**1**
Overstrain/exertion/repetetive strain				1		1		4						**6**
Squeezed/trapped/nipped								1		1				**2**
Unacceptable workload level				1				3						**4**
Unclear responsibilities								1						**1**
Grand total	**3**	**3**	**5**	**10**	**1**	**1**	**1**	**20**	**2**	**4**	**5**	**1**	**1**	**57**

For accidents and occupational health issues leading to an absence of ≥8 hours distributed according to type of event and work process, please see *table 18*. *Figure 14* shows how accidents leading to an absence of ≥ 8 hours are distributed according to work process.

Figure 15 shows how occupational health issues leading to an absence of ≥ 8 hours are distributed according to work process.

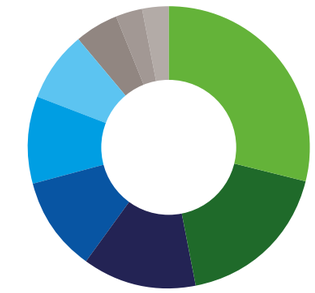
INVOLVING EMPLOYEES IN THE DEVELOPMENT OF OCCUPATIONAL HEALTH AND SAFETY PROGRAMMES. Local occupational health and safety evaluations are held annually throughout the organisation to ensure that employees' opinions are heard. The objective of these events is to improve occupational health and safety awareness through involving employees in identifying occupational health and safety improvement initiatives. All employees are invited to participate in a local unit meeting to discuss occupational health and safety at which everybody is given an opportunity to contribute. Through participation, employees are also made aware of potential hazards in their own working environment. In addition, local HSE committees have been established in many countries, either as a consequence of local legal requirements or because the usefulness of such committees has been identified internally. The members of these HSE committees are normally employee representatives, country HSE coordinators, local business area HSE managers and management representatives.

THE RIGHT TO SAY NO. The backbone of DNV GL's occupational health and safety management system is that all employees are fully aware of their 'the right to say no' and feel confident and empowered to stop work and intervene when inappropriate behaviour or unacceptable conditions are encountered. When an employee considers safety to be inadequate, the customer is informed that a surveyor will not attend the planned inspections due to inadequate safety conditions. Customers normally regard such cases with a high degree of seriousness and take action to ensure that safety is improved to an adequate standard.

"EXPERIENCED SURVEYORS AND MANAGERS PRESENTED FIELD-WORK-RELATED RISKS AND EXPLAINED HOW BEST TO RESPOND IN SUCH SITUATIONS, INCLUDING A CLEAR IDENTIFICATION OF 'DOS AND DON'TS'.

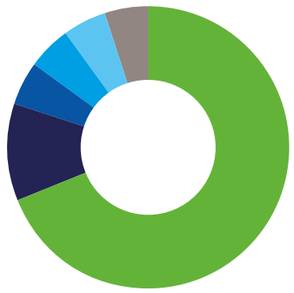
Safety-related issues are an integral part of all unit meetings and employees are encouraged to share their experiences of possible safety breaches or hazardous situations. It is during these meetings that managers continually remind employees of the HSE policy and of their support to employees if they face any situation where they do not feel comfortable about their safety. Field safety issues are also always a subject of experience exchange seminars for surveyors. In Poland, the management group decided to organise an additional safety experience seminar for field work. Experienced surveyors and managers presented field-work-related risks and explained how best to respond in such situations, including a clear identification of 'dos and don'ts'. The greatest input value was obtained from sharing experience learned from the surveyors' and managers' own mistakes. They also discussed situations when they had refused to start a job for safety reasons.

FIGURE 14 ACCIDENTS LEADING TO AN ABSENCE OF ≥ 8 HOURS DISTRIBUTED ACCORDING TO WORK PROCESS



General field work	29%
Office work	18%
Driving	13%
Social events / teambuilding	11%
Transport / travelling	10%
Confined space entry	8%
Sea trials /voyage surveys	5%
Working at heights	3%
Laboratory	3%

FIGURE 15 OCCUPATIONAL HEALTH ISSUES LEADING TO AN ABSENCE OF ≥ 8 HOURS DISTRIBUTED ACCORDING TO WORK PROCESS

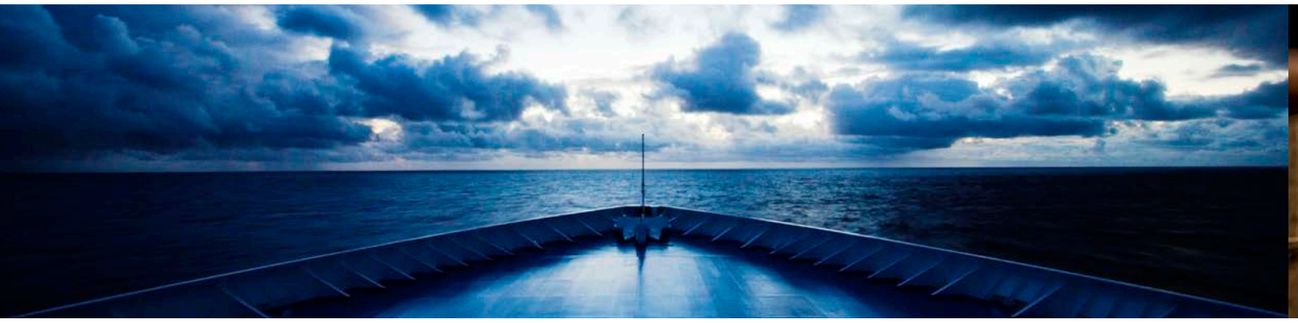


Office work	69%
General field work	11%
Lifting / transport of heavy equipment	5%
Material testing	5%
Transport / travelling	5%
Witnessing	5%

"FOLLOWING THE TRAGIC EVENTS AT IN AMENAS, ALGERIA (JANUARY 2013), DNV GL DECIDED TO REVIEW ITS CURRENT CRISIS MANAGEMENT PROTOCOL AND PLAN COMPONENTS, AMEND NECESSARY SECTIONS AND CONDUCT TRAINING EXERCISES.

The Tallinn office is involved in a number of offshore component certification projects. The manufacturers are in most of these cases not our customers, as our contract is with the company that has placed the order with the manufacturer. In these situations, there are no formal mutual obligations between DNV GL and the manufacturer regarding HSE matters. In order to establish clear lines of responsibility and communication, it was decided to hold tripartite HSE workshops. During these, personnel from the customer, the manufacturer and DNV GL were involved in discussing HSE issues and a complete risk assessment for typical operations was conducted. Mitigations were identified and followed up. One large manufacturer arranged a half-day separate training for DNV GL surveyors covering emergency evacuation, emergency contacts and safety zones.

EMERGENCY PREPAREDNESS. Following the tragic events at In Amenas, Algeria (January 2013), DNV GL decided to review its current crisis management protocol and plan components, amend necessary sections and conduct training exercises. The revised procedure is a comprehensive document that involves a number of functions in all geographies. The revised set-up defines a three-level system where critical functions are clearly described



and roles allocated at all times in order for DNV GL to be prepared if and when a situation arises. The revised procedure applies whenever DNV GL becomes aware of a serious incident related to DNV GL's employees, facilities or the environment of these facilities and incidents related to customers and services.

Crisis Management is defined by the three levels of crisis handling:
Level 1 – Local incidents involving employees, facilities or the environment surrounding these facilities under the responsibility of local management.
Level 2 – Serious incidents related to customers and services under the responsibility of the Business Area CEOs.
Level 3 – Very serious and complex situations under the responsibility of the Group CEO.

THE REVISED PROCEDURE APPLIES WHENEVER DNV GL BECOMES AWARE OF A SERIOUS INCIDENT RELATED TO DNV GL'S EMPLOYEES, FACILITIES OR THE ENVIRONMENT OF THESE FACILITIES AND INCIDENTS RELATED TO CUSTOMERS AND SERVICES.

The level 3 team takes the lead in all situations that cannot be handled by level 1 or level 2, whether due to complexity, geographic spread, severity or public interest. The level 3 team has resources to support level 1, especially in cases that require the long-term follow-up of employees and their families.

The group CEO is responsible for level 3 preparedness training. The level 3 team conducts exercises on a regular basis.

THE RESULTS OF THE 'PEOPLE ENGAGEMENT SURVEY' RELATING TO SAFETY CONFIRMED A VERY POSITIVE ATTITUDE. WHEN ASKED WHETHER 'MY LINE MANAGER ALWAYS PROMOTES SAFETY FIRST', LESS THAN 3% OF ALL EMPLOYEES ANSWERED IN THE NEGATIVE.

Singapore and Malaysia experienced a period of escalating hazy air quality conditions from 18–22 June 2013. The pollution level jumped from 100 PSI (Pollution Standard Index) to 401 PSI at its peak – an unprecedented rise. Management action levels (based on PSI levels) were announced on 20 June. From 100-199 PSI, initial S&H recommendations escalated to the head of departments for their individual departmental management control. Monitoring and reporting were done by the Country HSE Coordinator (CHC), who released recommendations. Finally, the Country Chair ordered there was to be no outdoor work at 400 PSI.

Pandemic N95 masks were sourced and procured and staff returning from Australia brought in additional masks. A new Haze Plan now has stocks for one month of sustained haze levels and could also be deployed to neighbouring stations should they face escalating situations and mask supply shortages. Although no impact on business was noted, the situation was unpleasant.

'PEOPLE ENGAGEMENT SURVEY' QUESTIONS RELATED TO SAFETY. The results of the 'people engagement survey' relating to safety confirmed a very positive attitude. When asked whether 'my line manager always promotes safety first', less than 3% of all employees answered in the negative. To the question of whether 'I have been provided with sufficient safety training and personal protective equipment for my job', less than 3% of the respon-dents working in production, production support and customer management answered in the negative.

HSE TRAINING – CONTINUOUSLY BUILDING A SOUND HSE CULTURE. The focus on HSE competence and awareness training continued in 2013. All new employees are required to complete HSE induction training during their first week of employment. In addition, all new employees working in the field are required to complete both practical and theoretical safety training within their first 12 months of employment. Similar training must also be completed every four to five years.

The HSE course for managers and HSE professionals called 'Building a sound HSE culture' (two days) and the HSE professionals course including HSE tools (one day) that were launched in 2011 continued in 2013. Two HSE culture-building courses for managers and HSE professionals were held in 2013.

ALL NEW EMPLOYEES ARE REQUIRED TO COMPLETE HSE INDUCTION TRAINING DURING THEIR FIRST WEEK OF EMPLOYMENT. IN ADDITION, ALL NEW EMPLOYEES WORKING IN THE FIELD ARE REQUIRED TO COMPLETE BOTH PRACTICAL AND THEORETICAL SAFETY TRAINING WITHIN THEIR FIRST 12 MONTHS OF EMPLOYMENT.

Our services sometimes require travel to challenging destinations. In 2013, a web-based malaria-prevention course was offered to all employees who travel to or live in areas threatened by malaria.

DRIVING – CONSISTENTLY A SIGNIFICANT RISK. Our statistics show that driving is one of the top risks in DNV GL and a high-priority training and awareness task in most regions. In the UK, the management group decided to run a course that goes beyond the normal or usual training and awareness material. Crash Course – a multi-agency initiative involving a team of presenters from the Staffordshire Police Collision Investigation, Fire and Rescue Service, County Council and Victim Support – was engaged. Their high-impact presentation addresses the powerful negative statistic that 30% of all fatal road traffic collisions involve someone on a work-related journey and an additional 20% involve the journey to and from work.

OUR STATISTICS SHOW THAT DRIVING IS ONE OF THE TOP RISKS IN DNV GL AND A HIGH-PRIORITY TRAINING AND AWARENESS TASK IN MOST REGIONS. IN THE UK, THE MANAGEMENT GROUP DECIDED TO RUN A COURSE THAT GOES BEYOND THE NORMAL OR USUAL TRAINING AND AWARENESS MATERIAL.

Course participants were put in the position of becoming a victim, an offender or a person suffering bereavement. This was accomplished by using people with true-life experiences, both personal and professional, and supporting them with powerful media messages.

Crash Course has run 11 courses in seven locations throughout DNV GL in the UK. More than 260 employees and family members attended the course in 2013 and more sessions are planned for 2014. Employees have stated that this course has changed the way they drive.

UNDER THE NEW OPERATING PROCEDURE, EMPLOYEES WHO WITNESS AN EVENT WHERE ANOTHER PERSON DEMONSTRATES ACTIVELY CARING BEHAVIOUR, RECORD THEIR OBSERVATIONS IN THE AC4 HSE DATABASE.

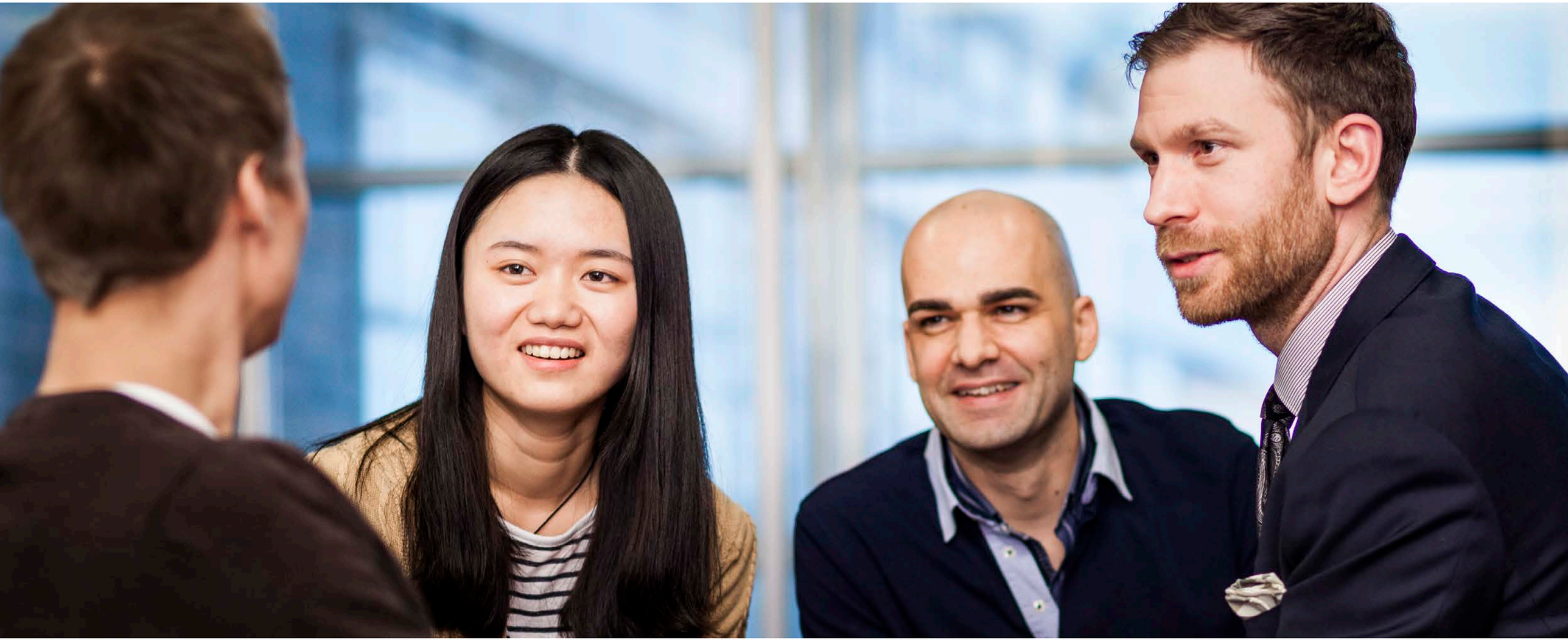
In the UAE, driving and fatigue are identified as specific risks due to geographic and cultural conditions. A defensive driving web-based course was made mandatory for all surveyors. In addition, a practical defensive driving course was made available to all employees.

In the Benelux region, driving has been identified as the number one risk and several driving incidents were reported during the year. To enhance driving awareness, a previously voluntary driving course has been made mandatory for all staff. All employees in the Benelux region have been registered for courses in 2014 in order to establish a baseline. The course programme includes risk awareness, practical driving tips, anticipatory driving, reading the road and environmental considerations, ie, eco driving. All new staff arriving in Rotterdam undergo an assessment of their experience of driving on European roads. All trainees and new hires are offered driving lessons if deemed necessary.

ACTIVELY CARING (AC) – BEHAVIOUR-BASED SAFETY IN NORTH AMERICA. A new programme began in January 2013 in North America, focusing on reducing at-risk behaviour that can result in injuries and illnesses. The legacy DNV departments in North America were given behaviour-based safety training in 2013. Under the new operating procedure, employees who witness an event where another person demonstrates actively caring behaviour, record their observations in the AC4 HSE database. A draw was held for those stories submitted in the third and fourth quarters and the winner received a gift card. In addition, a few of the stories will be published internally each quarter to highlight successes in implementing the AC4 HSE programme as it goes forward.

STRESS MANAGEMENT. In China, stress management seminars were arranged for managers in the Shanghai office and for all HSE office coordinators. A group of external professionals was invited to talk about stress in the workplace and how to deal with it. In addition, the Shanghai Employee Sports Club (SESC) was established with the purpose of relieving stress and improving health conditions. As at 1 December 2013, SESC had a total of 190 members, about 60% of the employees at the location. In 2013, SESC consisted of seven different sports groups: badminton, tennis, football, dancing, swimming, ping-pong and yoga. SESC also organised the enrolment and coordination of employees participating in the Shanghai Marathon.

In Denmark, DNV GL's new health insurance provider offered a Stress Spotter course that was attended by six representatives chosen from the HSE Committee. The main purpose of the course is to create awareness of symptoms, life changes and options in order to stop the development of stress at the earliest stage possible and to show how to do so by implementing various tools. Along with the stress policy, the health insurance provider will use the knowledge within DNV GL Denmark to create a focus on openness and support regarding stress in order to prevent potential stress-related occupational issues. □



HOW WE PERFORM

The financial statements for DNV GL Group AS include consolidated income statement, balance sheet, statement of cash flow and notes for DNV GL Group AS and all companies in which DNV GL Group AS directly or indirectly has actual control.

KEY FIGURES

AMOUNTS IN NOK MILLION

	2013	2012[1]	2011[2]	2010[2]	2009[2]
INCOME STATEMENT					
Operating revenue	15 234	12 532	10 156	9 792	10 282
Depreciation	268	201	150	155	145
EBITA	1 633	1 037	1 122	855	1 197
Amortisation	456	179	64	44	90
EBIT / Operating profit	1 177	858	1 058	810	1 107
Net financial income (expenses)	(14)	38	32	19	3
Profit before tax	1 163	896	1 091	829	1 110
Profit for the year	671	579	763	552	751
BALANCE SHEET					
Non-current assets	13 855	3 462	2 438	2 327	2 301
Current assets	11 395	6 160	6 347	5 310	4 732
Total assets	25 249	9 622	8 785	7 637	7 033
Equity	15 270	4 937	4 922	5 058	4 386
Provisions and long-term liabilities	4 243	1 333	1 212	338	523
Current liabilities	5 736	3 352	2 651	2 241	2 124
CASH FLOW ITEMS, WORKING CAPITAL AND INVESTMENTS:					
Purchase of tangible fixed assets	450	236	132	169	349
Working capital	5 659	2 808	3 696	3 069	2 608
Cash flow	(570)	(927)	781	396	433
NUMBER OF EMPLOYEES	16 107	10 294	8 453	8 440	8 866
FINANCIAL RATIOS					
Profitability:					
EBITA margin	10.7%	8.3%	11.0%	8.7%	11.6%
Operating margin	7.7%	6.8%	10.4%	8.3%	10.8%
Pre-tax profit margin	7.6%	7.2%	10.7%	8.5%	10.8%
Net profit margin	4.4%	4.6%	7.5%	5.6%	7.3%
Liquidity:					
Current ratio	2.0	1.8	2.4	2.4	2.2
Liquidity reserves	3 875	1 774	2 874	2 092	1 696
Liquidity cover	29.1%	15.7%	32.3%	23.8%	19.0%
Leverage:					
Equity ratio	60.5%	51.3%	56.0%	66.2%	62.4%

Definition of ratios

Profitability

EBITA:
Earnings before interest, tax and amortisation

EBITA margin:
EBITA x 100 / Operating revenue

Operating margin:
Operating profit x 100 / Operating revenue

Pre-tax profit margin:
Profit before tax x 100 / Operating revenue

Net profit margin:
Profit for the year x 100 / Operating revenue

Liquidity

Cash flow:
Net change in liquidity during the year from cash flow statement

Current ratio:
Current assets / Current liabilities

Liquidity reserves:
Cash and bank deposits

Liquidity cover:
Liquidity reserves x 100 / (Total operating expenses – Depreciation – Amortisation)

Leverage

Equity ratio:
Equity x 100 / Total assets

1) Key figures for 2012 have been restated to reflect the demerger of DNV Petroleum Services and the real estate companies in Norway (effective 1 Jan. 2013).

2) Key figures for the years 2009-2011 are in line with financial figures as presented in the audited financial accounts of Det Norske Veritas Group AS for these years.

INCOME STATEMENT

DNV GL GROUP AS		1 JANUARY – 31 DECEMBER / AMOUNTS IN NOK MILLION		DNV GL GROUP AS - GROUP	
2013	2012		NOTE	2013	2012 RESTATED
		OPERATING REVENUE			
0.0	0.0	Sales revenue		15 234.1	12 531.5
0.0	0.0	**Total operating revenue**	3	15 234.1	12 531.5
		OPERATING EXPENSES			
0.0	0.0	Payroll expenses	4,6,7	8 446.3	7 153.2
0.0	0.0	Depreciation	14	267.7	200.5
0.0	0.0	Amortisation and impairment	12,13	455.6	179.3
0.9	0.0	Other operating expenses	5	4 887.4	4 140.8
(0.9)	0.0	**Operating profit**		1 177.1	857.7
		FINANCIAL INCOME AND EXPENSES			
18.6	1 223.1	Financial income		60.7	105.2
(10.3)	(10.3)	Financial expenses		(74.8)	(66.7)
8.3	1 212.8	Net financial income (expenses)	8	(14.1)	38.5
7.4	1 212.8	**Profit before tax**		1 163.0	896.2
(0.4)	(3.3)	Tax expense	10	(491.9)	(317.4)
7.0	1 209.5	**Profit for the year**		671.0	578.8
		Attributable to:			
		Non-controlling interest		2.6	2.0
		Equity holders of the parent		668.5	576.8
7.0	1 209.5	Transferred to other equity			

BALANCE SHEET

DNV GL GROUP AS 31 DEC. 2013	DNV GL GROUP AS 31 DEC. 2012	AMOUNTS IN NOK MILLION	NOTE	DNV GL GROUP AS - GROUP 31 DEC. 2013	DNV GL GROUP AS - GROUP 1 JAN. 2013 RESTATED
		ASSETS			
		NON-CURRENT ASSETS			
		Intangible assets			
0.2	0.2	Deferred tax assets	10	877.5	485.9
0.0	0.0	Goodwill	12	6 972.6	952.1
0.0	0.0	Other intangible assets	13	3 459.1	385.6
0.2	0.2	Total intangible assets		11 309.2	1 823.7
		Tangible fixed assets			
0.0	0.0	Land, buildings and other property		941.2	717.3
0.0	0.0	Office equipment, fixtures and fittings		821.0	447.5
0.0	0.0	Total tangible fixed assets	14	1 762.2	1 164.8
		Non-current financial assets			
11 035.7	1 754.7	Investments in subsidiaries	2	0.0	0.0
0.0	0.0	Investments in associates	15	8.5	14.1
0.2	0.2	Long-term shareholdings		42.4	36.8
516.0	516.0	Prepaid pension	7	283.0	52.0
6.7	39.6	Loan to subsidiaries		0.0	0.0
0.2	42.7	Other long-term receivables	17	449.3	370.9
11 558.7	2 353.2	Total non-current financial assets		783.2	473.8
11 558.9	2 353.4	**Total non-current assets**		13 854.6	3 462.3
		CURRENT ASSETS			
		Debtors			
0.0	0.0	Trade debtors		4 268.2	2 578.3
0.0	0.0	Work in progress		2 501.1	1 351.1
4.3	0.0	Other receivables group companies		44.8	0.0
0.1	0.0	Other debtors		706.1	456.6
4.4	0.0	Total debtors		7 520.2	4 386.0
353.1	518.1	Cash and bank deposits	18	3 874.7	1 773.9
357.5	518.1	**Total current assets**		11 394.9	6 159.9
11 916.4	2 871.5	**TOTAL ASSETS**		25 249.4	9 622.2

DNV GL GROUP AS 31 DEC. 2013	DNV GL GROUP AS 31 DEC. 2012	AMOUNTS IN NOK MILLION	NOTE	DNV GL GROUP AS - GROUP 31 DEC. 2013	DNV GL GROUP AS - GROUP 1 JAN. 2013 RESTATED
		EQUITY AND LIABILITIES			
		EQUITY			
		Paid-in capital			
100.0	10.1	Share capital		100.0	9.0
		Retained earnings			
10 700.3	2 762.9	Other equity		15 152.2	4 923.7
0.0	0.0	Non-controlling interest		17.5	4.5
10 800.3	2 773.0	**Total equity**	21	15 269.7	4 937.2
		LIABILITIES			
		Provisions			
0.0	0.0	Pension liabilities	7	1 952.5	187.0
0.0	0.0	Deferred tax	10	982.7	226.4
250.2	0.0	Loan from subsidiaries		0.0	0.0
0.0	0.0	Other provisions		1 308.2	919.7
250.2	0.0	Total provisions		4 243.4	1 333.1
		Current liabilities			
0.0	0.0	Trade creditors		576.8	339.8
0.0	0.0	Tax payable		429.3	230.6
0.0	0.0	Public duties payable		442.4	391.3
865.9	97.1	Short term liabilities group companies		22.7	0.9
0.0	1.4	Other short-term liabilities	16	4 265.1	2 389.4
865.9	98.5	Total current liabilities		5 736.3	3 351.9
1 116.1	98.5	**Total liabilities**		9 979.7	4 685.0
11 916.4	2 871.5	**TOTAL EQUITY AND LIABILITIES**		25 249.4	9 622.2

THE BOARD OF DIRECTORS OF DNV GL GROUP AS, HAMBURG, 24 APRIL 2014

LEIF-ARNE LANGØY CHAIRMAN	GÜNTER H. W. HERZ VICE CHAIRMAN	SILLE GRJOTHEIM	REBEKKA GLASSER HERLOFSEN	CLEMENS KEUER
JOHANNES LAFRENTZ	CHRISTELLE G. V. MARTIN	DAVID MCKAY	METTE BANDHOLTZ NIELSEN	C. THOMAS REHDER
J. HINRICH STAHL	ODD E. SUND	HILDE M. TONNE	MORTEN ULSTEIN	HENRIK O. MADSEN GROUP PRESIDENT & CEO

CASH FLOW STATEMENT

DNV GL GROUP AS		1 JANUARY – 31 DECEMBER / AMOUNTS IN NOK MILLION	DNV GL GROUP AS - GROUP	
2013	2012		2013	2012*
		CASH FLOW FROM OPERATIONS		
7.4	1 212.8	Profit before tax	1 163.0	1 048.0
0.0	0.0	Gain / loss on disposal of tangible fixed assets	(0.1)	0.3
0.0	0.0	Gain on divestments	(12.0)	0.0
0.0	0.0	Gain on sale of investment in associates	0.0	(10.0)
(4.3)	0.0	Group contribution recorded as financial income	0.0	0.0
0.0	0.0	Depreciation, amortisation and impairment	723.3	414.9
0.0	0.0	Tax payable	(570.0)	(353.8)
		Change in work in progress,		
0.0	0.0	trade debtors and trade creditors	(731.0)	(175.5)
719.5	(763.3)	Change in other accruals	104.0	(331.2)
722.6	449.5	**Net cash flow from operations**	677.2	592.7
		CASH FLOW FROM INVESTMENTS		
0.0	(1 736.1)	Acquisitions net of cash	(149.2)	(1 286.0)
0.0	0.0	Divestments	35.1	0.0
0.0	0.0	Investments in tangible fixed assets	(449.7)	(235.5)
0.0	0.0	Investments in intangible assets	(48.6)	0.0
0.0	0.0	Sale of tangible fixed assets (sales value)	26.9	22.9
8.8	(39.6)	Change in other investments	0.0	(21.6)
8.8	(1 775.8)	**Net cash flow from investments**	(585.5)	(1 520.2)
		CASH FLOW FROM FINANCING ACTIVITIES		
250.2	0.0	Change in loan from subsidiaries	0.0	0.0
(661.7)	0.0	Dividend paid	(661.7)	0.0
(11.8)	(23.8)	Group contribution paid	0.0	0.0
(423.3)	(23.8)	**Net cash flow from financing activities**	(661.7)	0.0
		LIQUIDITY		
722.6	449.5	Net cash flow from operations	677.2	592.7
8.8	(1 775.8)	Net cash flow from investments	(585.5)	(1 520.2)
(423.3)	(23.8)	Net cash flow from financing activities	(661.7)	0.0
308.1	(1 350.1)	**Net change in liquidity during the year**	(570.0)	(927.5)
518.1	1 868.2	Liquidity at 1 January	1 946.1	2 873.6
(473.1)	0.0	Demerger 1 January 2013 cash transferred	(172.2)	0.0
0.0	0.0	Cash in acquired companies	2 670.8	0.0
353.1	518.1	**Liquidity at 31 December**	3 874.7	1 946.1

* The 2012 statement of cash flow for the Group has not been restated to reflect the demerger of DNV Petroleum Services and the real estate companies in Norway effective 1 January 2013. 2012 cash flow figures for the group are consequently in line with 2012 audited financial accounts for the Det Norske Veritas Group AS.

NOTES

01 ACCOUNTING PRINCIPLES

The financial statements are prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway.

CONSOLIDATION PRINCIPLES. The consolidated statements include DNV GL Group AS and all companies in which DNV GL Group AS directly or indirectly has actual control. The Group accounts show DNV GL Group AS' consolidated income statement, balance sheet and statement of cash flow as a single economic entity. Subsidiaries follow the same accounting principles as the parent company. Intercompany transactions have been eliminated in the consolidated accounts.

Acquired subsidiaries are reported in the financial statements on the basis of the parent company's acquisition cost. The cost of the shares in the parent company's books is eliminated against the equity in the subsidiary at the date of acquisition. The acquisition cost is allocated by attributing fair values to the identifiable assets and liabilities acquired. Surplus value in excess of the fair value of identifiable net assets is reported in the balance sheet as goodwill. Goodwill is amortised linearly through the income statement over its expected useful economic life.

The allocation of costs in a business combination is changed if new information on the fair value becomes available and is applicable on the date when control is assumed. The allocation may be altered until the annual accounts are presented or prior to the expiry of a 12-month period.

TRANSLATION OF FOREIGN SUBSIDIARIES. When translating the financial statements of the foreign subsidiaries to Norwegian currency, the items in the income statement are translated at the average exchange rate for the financial year. Assets and liabilities in foreign operations, including goodwill and fair value adjustments, are translated into NOK using the exchange rate applicable on the balance sheet date. Exchange-rate differences are recognised in equity.

Forward exchange contracts related to hedging of net investments in foreign subsidiaries are treated as hedging instruments where the exchange rate differences of the hedging instrument are recognised in the equity.

CASH FLOW HEDGES. The effective portion of the gain or loss on the hedging instrument established for hedging of cash flows is not accounted for. Gains or losses on the hedging instrument are recorded as financial income or expenses at realization. Any ineffective portion is recognised in the income statement.

SUBSIDIARIES / ASSOCIATES. Investments in subsidiaries are valued at the cost method in the parent company accounts. The investment is valued as cost of acquiring shares in the subsidiary, provided write down is not required. Write down to fair value is carried out when the reduction in value is caused by circumstances which may not be regarded as incidental, and deemed necessary by generally accepted accounting principles. Write downs are reversed when the cause of the initial write down is no longer present.

An associate is an entity in which the Group has a significant influence but does not control the management of its finances and operations (normally when the Group owns 20%-50% of the company). Investments in associated companies are valued in accordance with the equity method. The share of profits is based on profits after tax in the associated company, less internal gains and possible amortisation of surplus value caused by the cost of shares being higher than the acquired share of equity. In the income statement, the share of profit is stated as financial income/ financial expenses.

When the Group's share of a loss exceeds the Group's investment in an associate, the amount carried in the Group's balance sheet is reduced to zero and further losses are not recognised unless the Group has an obligation to cover any such loss.

In the parent company accounts, dividends, group contributions and other distributions are recognised in the same year as they are recognised in the subsidiary financial statement. If dividends / group contributions exceed withheld profits after acquisition, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Dividends and other distributions are recognised as financial income.

USE OF ESTIMATES. The management has used estimates and assumptions that have affected assets, liabilities, income, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway. Future events may lead to change of estimates. Estimated and underlying assumptions are assessed on a continuous basis. Changes in accounting estimates are accounted for in the period the change occurs.

REVENUE RECOGNITION AND WORK IN PROGRESS. Revenue from sale of services is recognised according to the percentage of completion method. Work in progress is recognised at estimated sales value. Changes in work in progress are recognised as operating revenue.

Revenue from the sale of services is recognised in the income statement according to the project's level of completion provided the outcome of the transaction can be estimated reliably. Progress is measured as the number of hours spent compared to the total number of hours estimated. When the outcome of the transaction cannot be estimated reliably, only revenue equal to the project costs that have been incurred will be recognised as revenue. The total estimated loss on a contract will be recognised in the income statement during the period when it is identified that a project will generate a loss.

CLASSIFICATION AND VALUATION OF ASSETS AND LIABILITIES. Assets meant for permanent ownership or use are classified as non-current assets. Other assets are classified as current assets. Receivables to be paid within one year are always classified as current assets. Short- and long-term liabilities are classified correspondingly.

Current assets are valued at the lower of cost and net realisable value. Short-term debt is recognised at nominal value at time of establishment.

Fixed assets are valued at cost. However, if a decline in value is expected not to be temporary, fixed assets are written down to recoverable amount. Fixed assets with a limited useful economic life are depreciated in accordance with a linear depreciation plan. Long-term debt is recognised at nominal value at time of establishment. Direct transaction costs are capitalised over the loan period.

DEBTORS. Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments.

FOREIGN CURRENCY. Monetary items denominated in a foreign currency are translated at the exchange rate at the balance sheet date. Financial instruments, mainly forward exchange contracts and currency swaps, are used to hedge significant items denominated in the most important foreign currencies. These hedges are included at market value at 31 December.

Realised and unrealised currency effects are included on a net basis in either other financial income or other financial expenses.

Premiums paid for currency and interest rate options are capitalised and amortised over the life of the contract.

FINANCIAL LONG TERM INVESTMENTS. Long-term shareholdings where DNV GL Group AS does not exercise significant influence are recognised at cost. Each investment is written down to net realisable value if lower than cost.

PROPERTY, PLANT AND EQUIPMENT. Property, plant and equipment are capitalised and depreciated over the estimated useful economic life. Maintenance costs are expensed as incurred, whereas improvement and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.

INTANGIBLE ASSETS. Intangible assets acquired separately are carried at cost. The costs of intangible assets acquired through an acquisition are recognised at their fair value in the Group's opening balance sheet. Capitalised intangible assets are recognised at cost less any amortisation and impairment losses.

The economic life is either definite or indefinite. Intangible assets with a definite economic life are amortised over their economic life and tested for impairment if there are any indications. The amortisation method and period are assessed at least once a year. Changes to the amortisation method and/or period are accounted for as a change in estimate.

Intangible assets with an indefinite economic life are tested for impairment at least once a year, either individually or as a part of a cash-generating unit.

GOODWILL. The difference between the cost of an acquisition of business and the fair value of net identifiable assets on the acquisition date is recognised as goodwill. For investment in associates, goodwill is included in the investment's carrying amount.

Goodwill is recognised at cost in the balance sheet, minus any accumulated depreciation. Goodwill is amortised linearly through the income statement over its expected useful economic life. Goodwill is tested for impairment at least once a year as a part of its cash-generating unit.

RESEARCH AND DEVELOPMENT. Research and development costs are expensed when incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development
- The ability to use the intangible asset generated.

PENSIONS. Pension costs and pension liabilities for the defined benefit plans are estimated on the basis of linear earnings and assumptions of: discount rate, projected annual salary adjustments, pension and other payments from the national insurance fund, expected annual return on plan assets and actuarial assumptions of deaths, voluntary resignations etc. Plan assets are valued at fair value and deducted from net pension liabilities in the balance sheet. Actuarial gains and losses are recognised directly in the equity.

With effect from 1 January 2013 the net of return on plan assets and interest expense on defined benefit pension liabilities is classified under financial items. 2012 figures have been restated and the net of return on plan assets and interest expense on pension liabilities reclassified from payroll expenses to financial income.

TAX. The tax expense in the income statement includes taxes payable and change in deferred taxes. Deferred taxes are calculated based on the temporary differences existing between book values and tax values, together with tax loss carry-forwards at the end of the accounting period. Tax increasing and tax reducing temporary differences expected to reverse in the same period are offset and calculated on a net basis. Deferred tax assets are recognised to the extent utilisation of these assets can be justified.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

PROVISIONS. A provision is recognised when the Group has an obligation (legal or self-imposed) as a result of a previous event, it is probable (more likely than not) that a financial settlement will take place as a result of this obligation and the size of the amount can be measured reliably. If the effect is considerable, the provision is calculated by discounting estimated future cash flows using a discount rate before tax that reflects the market's pricing of the time value of money and, if relevant, risks specifically linked to the obligation.

If DNV GL Group AS is involved in litigation, and a claim has been made, then provisions for these claims are made in the accounts based on a best estimate of the validity and amount of the claim only to the extent a payment is more likely than not.

CASH FLOW STATEMENT. The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

02 CHANGES IN GROUP STRUCTURE AND SUBSIDIARIES OF DNV GL GROUP AS

DNV GL Group AS Group consist of the parent company DNV GL Group AS (changed name from Det Norske Veritas Group AS in 2013) and the following subsidiaries:

COMPANY[1]	BUSINESS OFFICE		SHARE CAPITAL[2] IN 1000 LOCAL CURR.	OWNER-SHIP	BOOK VALUE
DNV GL AS (changed name from Det Norske Veritas AS)	Bærum, Norway	NOK	5 000	100%	9 467.9
Det Norske Veritas Business Assurance Group AS	Bærum, Norway	NOK	1 033	100%	1.1
N.V. KEMA	Arnhem, Netherlands	EUR	9 015	74.3%	1 566.8
Total investment in subsidiaries					11 035.7

[1] G4-17 [2] incl. share premium

On 20 December 2012, Stiftelsen Det Norske Veritas and Mayfair Vermögensverwaltungs SE ('Mayfair') signed an agreement to merge the GL group of companies into Det Norske Veritas Group AS to form the DNV GL Group AS. The closing took place 11 September 2013 after clearances from the competition authorities were received. Stiftelsen Det Norske Veritas, through Det Norske Veritas Holding AS, owns 63.5% of the shares in DNV GL Group AS. Mayfair, the former private owner of GL SE, owns 36.5%.

The merger was formalized through a Business Combination Agreement, technically completed through a share issue by DNV GL Group AS to Mayfair against contribution in kind, being the shares in GL SE. Correspondingly the share capital of DNV GL Group AS was increased by NOK 36.5 million representing 365 000 shares and 36.5% of the total share capital. The transaction was recorded at market value, with an additional increased equity of NOK 9 323.5 million (statutory reserves). Further, as part of the closing mechanisms, a dividend of NOK 661.7 million (EUR 82.2 million) was distributed from DNV GL Group AS to Det Norske Veritas Holding AS prior to closing of the transaction with Mayfair.

In order to meet the requirements in the EU directive 391/2009 regarding Det Norske Veritas AS' status as recognised classification organisation, effective 25 November 2013, the shares in GL SE (the ultimate parent company of the GL SE Group) were transferred from Det Norske Veritas Group AS to Det Norske Veritas AS. This was done through a drop down transaction at market value as a contribution in kind at the same value as in the acquisition of GL SE Group. The 100% owned subsidiary of DNV GL Group AS, Det Norske Veritas AS was at the same time renamed to DNV GL AS.

Effective 1 January 2013, the shares in DNV Petroleum Services AS and in the real estate companies Det Norske Veritas Eiendom AS and Rosenberggata 101 AS were transferred to Det Norske Veritas Holding AS through a demerger of Det Norske Veritas Group AS (renamed DNV GL Group AS). The 1 Jan. 2013 figures and the income statement for 2012 reflect the consolidated balance sheet and the income statement of DNV GL Group AS after the demerger.

	DNV GL GROUP AS – GROUP (FORMERLY DET NORSKE VERITAS GROUP AS)		
	RESTATED 2012	DEMERGED ENTITIES	AUDITED ACCOUNTS 2012
Operating revenue	**12 531.5**	**317.7**	**12 849.2**
Payroll expenses (see note 7 for restatement of net interest effect			
from defined benefit pension plans)	7 129.0	110.3	7 239.3
Depreciation	200.5	35.1	235.6
Amortisation and impairment	179.3	0.0	179.3
Other operating expenses	4 140.8	12.0	4 152.8
Operating profit	**881.9**	**160.2**	**1 042.1**
Net financial income (see note 7 for restatement of net interest effect			
from defined benefit pension plans)	14.3	(8.3)	6.0
Tax expense	(317.4)	(36.9)	(354.3)
Profit for the period	**578.8**	**115.0**	**693.8**

	RESTATED BALANCE SHEET 1 JAN. 13	DEMERGED ENTITIES	AUDITED ACCOUNTS 2012
Intangible assets	1 823.7	(55.9)	1 767.8
Tangible fixed assets	1 164.8	951.1	2 115.9
Non-current financial assets	473.8	26.8	500.6
Trade debtors, work in progress and other receivables	4 386.0	71.4	4 457.4
Cash and bank deposits	1 773.9	172.2	1 946.1
TOTAL ASSETS	**9 622.2**	**1 165.6**	**10 787.8**
Equity	4 937.2	1 103.7	6 040.9
Provisions	1 333.1	(1.1)	1 332.0
Current liabilities	3 351.9	63.0	3 414.9
TOTAL EQUITY AND LIABILITIES	**9 622.2**	**1 165.6**	**10 787.8**

03 OPERATING REVENUE

GEOGRAPHICAL AREA	DNV GL GROUP AS - GROUP 2013	2012
Nordic countries	4 119.6	3 810.7
Europe and Africa	4 377.5	3 110.1
Asia Pacific	3 631.0	3 001.6
North and South America	3 106.0	2 609.1
Total operating revenue	15 234.1	12 531.5

04 PAYROLL EXPENSES

	DNV GL GROUP AS - GROUP 2013	2012
Salaries	6 641.4	5 571.3
Payroll tax	908.5	731.3
Pension costs	593.0	550.9
Other contributions	303.4	299.7
Total payroll expenses	8 446.3	7 153.2
Man years (average)	10 890	10 114
Total bonus expenses	317.0	348.0

05 OTHER OPERATING EXPENSES

	DNV GL GROUP AS - GROUP 2013	2012
Travel expenses	874.8	751.3
Hired assistance	824.5	575.3
ICT and communication expenses	417.9	325.9
Rent and real estate expenses	517.4	414.3
Loss on claim	43.6	35.5
Expenses group companies	170.3	187.7
Other expenses	2 038.9	1 850.8
Total other operating expenses	4 887.4	4 140.8

06 REMUNERATIONS AND LOANS TO GROUP CEO, EXECUTIVE COMMITTEE, BOARD OF DIRECTORS ETC.

The compensation guidelines for the members of the Executive Committee support DNV GL's goal of being a global organisation with a long-term perspective. The main compensation elements are focused around a market-based salary, a bonus scheme and a few standard employee benefits in line with the local markets.

The Group CEO and legacy DNV members of the Executive Committee participate in the standard pension and insurance schemes applicable to the employees in Norway, United Kingdom and Italy respectively. Legacy DNV members of the Executive Committee (except Group CEO) have standard employment contracts and standard terms and conditions regarding notice period and severance pay. Being partly owned by a foundation, DNV GL Group does not offer share option programmes.

With effect from the beginning of 2012, a new bonus scheme was introduced to all employees at or above a given salary grade. The bonus scheme pay-out is based on the financial achievement of DNV GL Group and each Business Area, as well as individual performance assessments. Target bonus for the Executive Committee is 25% and the maximum value is at 50% of base salary. The earned bonus is divided in three parts and the first part is paid the following year and thereafter another third each of the following two years. The pay-outs are forfeited if the executive resigns. The Board of Directors may award a discretionary bonus to the Group CEO, who is not eligible for the bonus bank scheme.

Legacy GL members of the Executive Committee have individual compensation agreements defined in their employment contracts. The total compensation includes a pensionable fixed salary, a non-pensionable fixed salary, as well as a variable bonus component.

The main change to executive compensation during 2013 concerned the bonus bank. The bonus bank scheme was changed to a slightly lower target percentage and introduced a direct link to performance assessment. Pay-out was changed from 4 to 3 years.

Two legacy GL employees are part of the Executive Committee at the end of 2013 (of which one became member of the executive committee at year-end 2013). They have individual compensation contracts and are not part of legacy DNV compensation and benefits principles.

Remuneration and loans to Group CEO and Executive Committee are disclosed in this note.

Group CEO Henrik O. Madsen has a pensionable annual base salary of NOK 3 867 and a non-pensionable annual base salary, plus free housing of NOK 1 313 000

Madsen has a right to retire at 62 years with a yearly pension equal to 66% of his pensionable annual base salary at date of retirement. In case of resignation before the age of 62, CEO is entitled to, given certain circumstances, a severance pay of maximum 2 years of base salary.

REMUNERATIONS TO THE EXECUTIVE COMMITTEE FOR 2013	SALARY (PENSIONABLE & NON-PENSIONABLE)	OTHER BENEFITS	BONUS PAID	PENSION COST
Henrik O. Madsen	5 219 107	370 771	612 423[2]	2 799 675
Tor E. Svensen	2 716 182	171 320	204 147[2]	1 078 594
Remi Eriksen	2 128 032	163 160	171 913[2]	554 154
Thomas Vogth-Eriksen	2 035 902	187 985	141 483[2]	542 624
Cecilie B. Heuch	1 758 501	169 696	134 815[2]	81 074
Luca Crisciotti	1 690 704	87 247	102 872[2]	654 319
David Walker	2 198 112	252 043	112 965[2]	-
Elisabeth Tørstad[1]	356 250	51 382	22 121[2]	98 659
Joachim Segatz[1]	570 446	21 817	-[3]	250 866

LOANS TO THE EXECUTIVE COMMITTEE AT 31 DEC. 2013	LOAN AMOUNT	INTEREST RATE	REPAYMENT PERIOD	SECURITY
Henrik O. Madsen	1 624 005	1.13%	Nov. 2018	Mortgage
Tor E. Svensen	458 200	1.13%	Mar. 2028	Mortgage
Thomas Vogth-Eriksen	1 874 568	1.13%	Apr. 2024	Mortgage
Elisabeth Tørstad[1]	1 046 687	1.13%	May 2035	Mortgage

1) Members of the Executive Committee from 1 October 2013, remuneration disclosed for October-December.
2) Paid in 2013 earned in 2012 **3)** Bonus paid out before DNV-GL merger

In addition, two former members of the Executive Committee have received total compensation of NOK 8 344 576 including severance pay. No remuneration has been paid to members of the Board of Directors in DNV GL Group AS in 2013.

FEES TO THE AUDITORS FOR 2013	DNV GL GROUP AS	GROUP AUDITOR OTHER NORWEGIAN ENTITIES	GROUP AUDITOR NON-NORWEGIAN ENTITIES	OTHER AUDITORS	TOTAL
Statutory audit	120 000	2 784 000	12 191 000	3 718 266	18 813 266
Tax consulting services		287 100	6 704 220	734 272	7 725 592
Other audit related services		703 460	1 558 248	272 147	2 533 855
Non-audit services		1 702 880	1 786 290	3 062 482	6 551 652

Statutory audit fee for legacy GL companies represent 3 months.

07 PENSION COSTS, PLAN ASSETS AND DEFINED BENEFIT PENSION LIABILITIES

DNV GL Group AS has both defined benefit pension plans and defined contribution pension plans. The structure of the pension plans depends on the legal, tax and economic conditions in the respective country, and is usually based on length of service and remuneration of the employee. The defined benefit pension plans are covered through separate pension funds, through arrangements with independent insurance companies or as unfunded plans.

The defined benefit pension plans in Norway and UK (Legacy DNV) are financed through separate pension funds, while other plans in the DNV legacy structure are mainly financed through independent administrative funds/insurance companies. The legacy GL plans in Norway, UK, Korea and Spain are financed through separate independent administrative funds, while other plans, including legacy GL Germany, are unfunded with the gross liability reported as a pension liability. The basis for calculating the pension cost and the pension liabilities as included in the accounts and in this note, is based on the presented actuarial assumptions, together with remuneration of the employee and length of service.

Contribution to the Group's pension plans are made in accordance with common actuarial methods in the country where the pension plan is administered. Total pension costs for 2013 are NOK 593.0 million, of which NOK 223.4 million are related to the defined benefit pension plans and NOK 369.6 million are related to the contribution pension plans.

The Norwegian companies in the Group are subject to the Norwegian Pension Act. The companies' pension schemes fulfil the requirements of the law. Norwegian employees are covered either by the Norwegian defined contribution pension plan (mainly employees employed after 1 January 2005), or the defined benefit pension plan organised in one Norwegian pension fund (employees employed before 1 January 2005) and in one unfunded pension plan. The pension assets in the Norwegian pension fund are invested as follows:

MARKET VALUE OF PLAN ASSETS IN NORWAY	31 DEC. 13	1 JAN. 13
Buildings and property	330.0	273.1
Mutual equity funds and hedge funds	2 222.8	1 776.3
Norwegian bonds and bond funds	745.4	733.6
Non-Norwegian bonds and bond funds	437.4	619.1
Bank accounts, other assets and liabilities	1 636.0	1 341.5
Total market value of plan assets Norway (DNV GL Pension fund)	5 371.6	4 743.6
Actual return on plan assets	593.3	395.2

PENSION COST (LEGACY GL FIGURES INCLUDED FOR THE PERIOD 1 OCTOBER – 31 DECEMBER):	FUNDED NORWEGIAN DEFINED BENEFIT PENSION PLANS		GERMAN DEFINED BENEFIT PENSION PLANS		OTHER DEFINED BENEFIT PENSION PLANS	
	2013	2012	2013	2012	2013	2012
Net present value of this year's pension contribution	159.8	190.9	11.9	3.9	29.1	27.8
Payroll tax	22.6	26.9	0.0	0.0	0.0	0.0
Net present value of this year's pension contribution	182.4	217.8	11.9	3.9	29.1	27.8
Interest expense on pension liabilities	175.0	147.9	20.3	6.6	58.9	47.2
Expected return on plan assets	(181.2)	(167.6)	(2.0)	(1.4)	(63.1)	(54.2)
Payroll tax	(1.0)	(2.8)	0.0	0.0	0.0	0.0
Net interest / return on plan assets pension	(7.2)	(22.4)	18.3	5.2	(4.2)	(7.0)
Market value of plan assets (legacy DNV + GL)	5 397.7	4 743.6	46.1	37.1	1 445.0	1 066.3
Actuarial present value of pension liabilities	(5 087.6)	(4 634.2)	(1 784.0)	(169.3)	(1 657.8)	(1 121.1)
Payroll tax	(28.8)	(57.3)	0.0	0.0	0.0	0.0
Net prepaid pension (liabilities)	281.3	52.0	(1 737.9)	(132.2)	(212.8)	(54.9)
Hereof recorded as plan assets in balance sheet	283.0	52.0	0.0	0.0	0.0	0.0
Hereof recorded as pension liabilities in balance sheet	(1.7)	0.0	(1 737.9)	(132.2)	(212.8)	(54.9)

The assumptions (discount rate) for calculation of the pension liabilities in Norway (legacy DNV) have been changed from 3.8% to 3.9%, leading to reduced pension liabilities of NOK 110 million in 2013.

The pension liability calculations per 31 December 2013 are based on K2013 mortality tables. The increase in the calculated pension liabilities from the new mortality tables is NOK 373 million in 2013.

With effect from 1 January 2013 the net of return on plan assets and interest expense on pension liabilities is classified as financial items. 2012 figures have been restated and NOK 24.2 million has been re-classified (increased payroll expenses and increased financial income).

End of service benefit schemes in some countries outside Norway, considered to be defined benefit schemes, have been actuarially calculated in accordance with NGAAP. The total liability not included in above table amounts to NOK 61 million at year-end (NOK 53 million in 2012).

THE CALCULATIONS OF THE PENSION LIABILITIES ARE BASED ON THE FOLLOWING ACTUARIAL ASSUMPTIONS:	NORWEGIAN SCHEMES		GERMAN SCHEMES		OTHER SCHEMES	
	2013	2012	2013	2012	2013	2012
Discount rate	3.9%	3.8%	3.5–3.6%	3.6%	3.0–4.7%	3.6–4.5%
Projected annual salary adjustment	4.0%	4.0%	3.0%	3.0%	3.0–4.3%	3.0–4.0%
Projected annual increase in pension benefit	2.0%	2.0%	2.0%	2.0%	0.0–3.0%	0.0–3.0%
Projected annual increase in Norwegian government basis pension	3.0%	3.0%	-	-	-	-
Expected annual return on plan assets	3.9%	3.8%	3.6%	3.6%	3.8–4.7%	3.6–5.7%

The retirement age in the group differs from country to country. In the most significant pension plans the ordinary retirement age is 67 years (Norway) and 65 to 67 years (Germany). To align with German regulations, legacy GL Germany is gradually shifting from 65 to 67 years based on the year of birth of the plan members. Some managers and employees are entitled to early retirement before 67, with full pension rights earned.

08 FINANCIAL INCOME AND FINANCIAL EXPENSES

DNV GL GROUP AS			DNV GL GROUP AS - GROUP	
2013	2012		2013	2012
4.5	1 200.8	Dividend from subsidiaries	0.0	0.0
4.3	0.0	Group contribution received	0.0	0.0
0.0	0.0	Profit (loss) from investment in associates	(5.5)	8.5
0.0	0.0	Net interest cost/ return on plan assets pension (note 7)	(7.0)	24.2
6.6	17.1	Other interest received	27.4	40.7
(3.0)	(7.9)	Net interest expense group companies	0.0	7.7
(0.1)	(4.9)	Other interest expenses	(31.7)	(29.9)
3.4	13.0	Currency gains (losses)	(7.4)	(21.7)
(7.3)	(5.4)	Other financial items	10.1	9.0
8.3	1 212.8	**Net financial income (expenses)**	(14.1)	38.5

09 FINANCIAL MARKET RISK

The Group's main financial market risks are liquidity risk, foreign currency risk, credit risk and interest rate risk.

LIQUIDITY RISK. The Group monitors its liquidity risk on an ongoing basis. The liquidity planning considers the maturity of both the financial investments and financial assets (e.g. accounts receivable, other financial assets) and projected cash flows from operations.

FOREIGN CURRENCY RISK. The Group has revenues and expenses in approximately 50 currencies. Of these, six currencies (NOK, EUR, USD, CNY, KRW and GBP) make up for approximately 75% of the total revenue. In many currencies the group has a natural hedge through a balance of revenue and expenses. DNV GL Group changed its foreign exchange hedging policy in August. The policy of hedging all balance sheet items was discontinued and replaced by a policy where the aim is to hedge balance sheet items where the re-evaluation has a direct impact on the profit and loss account. Major imbalances are hedged through forward exchange contracts. As part of this hedging, the Group has forward exchange contracts in 6 currencies, totalling a net amount of approximately NOK 1 700 million. The most important contracts are in USD (39%) and EUR (37%). Unrealized net loss at year end is NOK 42 million.

CREDIT RISK. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is limited. There are no significant concentrations of credit risk within the Group. With respect to credit risk arising from the other financial assets of the Group, which comprises cash and cash equivalents and certain derivative instruments, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the market value of these instruments.

INTEREST RATE RISK. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's forward exchange contracts.

10 TAX

DNV GL GROUP AS 2013	DNV GL GROUP AS 2012		DNV GL GROUP AS - GROUP 2013	DNV GL GROUP AS - GROUP 2012
		Tax expense consists of:		
0.0	3.3	Norwegian income tax	147.8	0.0
0.3	0.0	Income tax outside Norway	496.6	346.1
0.3	3.3	Total tax payable	644.4	346.1
0.0	0.0	Change in deferred tax in Norway	(27.8)	(12.0)
0.0	0.0	Effect of changed tax rate Norway	5.9	0.0
0.0	0.0	Change in deferred tax outside Norway	(130.5)	(16.7)
0.0	0.0	Total change in deferred tax	(152.5)	(28.7)
0.4	3.3	**Tax expense**	491.9	317.4
2.1	339.6	Tax on profit at 28%	325.6	250.9
		Tax effect of:		
0.0	0.0	Foreign tax exempt branches	(28.4)	(23.3)
0.0	0.0	Non refundable foreign withholding taxes	44.8	8.6
0.0	0.0	Pemanent differences caused by goodwill amortisations	75.8	36.6
(1.6)	(336.3)	Other permanent differences	55.3	29.2
0.0	0.0	Changes of previous years taxes	(8.1)	29.3
0.0	0.0	Tax assets not recognised current year	7.9	1.6
0.0	0.0	Differences between tax rates in Norway and abroad	19.0	(15.6)
0.4	3.3	**Tax expense**	491.9	317.4
		Effective tax rate	42%	35%
		Net tax-reducing/tax-increasing temporary differences:		
0.0	0.0	Non-current assets	3 247.1	661.6
0.0	0.0	Current assets	(93.8)	(62.0)
(0.6)	(0.7)	Liabilities	(1 890.9)	(1 048.1)
0.0	0.0	Tax loss to be carried forward	(1 081.7)	(427.6)
(0.6)	(0.7)	**Basis for deferred tax asset/liability**	180.7	(876.1)
27%	28%	Tax rates applied	17%–42%	17%–42%
(0.2)	(0.2)	**Deferred tax asset**	877.5	485.9
0.0	0.0	**Deferred tax liability**	(982.7)	(226.4)

The Group has accumulated tax-loss to be carried forward amounting to NOK 680 million, with a related unrecognised deferred tax asset (DTA) of NOK 174 million at year-end 2013. As the future utilisation of these tax losses cannot be demonstrated, no deferred tax asset has been reflected in the balance sheet related to these losses.

11 ACQUISITIONS

COMPANY / ACTIVITIES	TRANSACTION DATE	OWNERSHIP	PURCHASE CURRENCY	ACQUISITION COST MILL. LOCAL CURRENCY	EXTERNAL REVENUE INCL. IN 2013 ACCT. MILL. NOK
Business combination GL SE Group	11 Sept. 2013	100%	EUR	1 200.0	1 575.0
Business acquired from DS Certifisering	31 Oct. 2013	100%	DKK	54.0	10.0

The acquisition cost in excess of net book value of the equity has been allocated to goodwill and other intangible assets. As described in Note 2, the business combination with GL SE Group was completed through a share issue by DNV GL Group AS to Mayfair against contribution in kind, being the shares in GL SE. The transaction was recorded at market value.

The following table shows the preliminary purchase price allocation (PPA) for the acquisition of 100% of GL SE Group:

	ACQUISITION COST	OF WHICH:						
		TRADEMARKS	CUSTOMER CONTRACTS & RELATIONS	TECHNOLOGY	LIABILITIES	DEFERRED TAX	NET ASSETS	GOODWILL
PPA (mill. NOK)	9 459.0	267.2	1 684.4	664.0	(145.8)	(691.6)	2 083.5	5 597.1

12 GOODWILL

COMPANY / BUSINESS ACTIVITY	GOODWILL COST AT 1 JAN.	ACCUM. AMORT. 1 JAN.	REVAL. EFFECTS	THIS YEAR'S ADDITIONS	THIS YEAR'S AMORT.	IMPAIR-MENT	GOODWILL 31 DEC.	AMORT. PERIOD
Jardine Technology Ltd	11.3	(10.0)	0.0		(1.3)		0.0	5 y
SOF Conseil SAS	14.3	(8.8)	0.5		(3.0)		3.0	5 y
Synergi Solutions AS	36.2	(11.6)	0.0		(7.2)		17.4	5 y
Norwegian Petro Services AS	12.3	(1.7)	0.0	(3.0)	(1.5)		6.2	5 y
Coex AS	6.3	(1.0)	0.0		(1.3)		4.1	5 y
Two Tomorrows Group Ltd.	16.8	(2.3)	1.3		(3.4)		12.5	5 y
N.V. KEMA Group	972.3	(82.3)	113.2		(102.7)		900.5	10 y
DS Certifisering			(0.1)	50.4	(0.8)		49.5	10 y
GL SE Group			532.0	5 597.1	(149.8)		5 979.4	10 y
Total	**1 069.6**	**(117.5)**	**647.0**	**5 644.5**	**(271.1)**	**0.0**	6 972.6	

Goodwill is amortised linearly over the expected economic lifetime.

Goodwill is written down if the net present value of the future expected cash flows are not higher than the net book values in the Group accounts. Key assumptions in these calculations are expected future growth rate, expected future cash flows and discount rate.

13 OTHER INTANGIBLE ASSETS

COMPANY / INTANGIBLE ASSETS	COST AT 1 JAN.	ACCUM. AMORT. 1 JAN.	REVAL. EFFECTS	THIS YEAR'S ADDITIONS	THIS YEAR'S AMORT.	IMPAIR-MENT	BOOK VALUE 31 DEC.	AMORT. PERIOD
Synergi Solutions AS – Customer relations, Technology	11.1	(3.5)	0.0		(2.2)		5.3	5 years
DS Certifisering, Customer relations and rights			0.0	15.5	(0.5)		14.9	2–10 years
N.V. KEMA Group – Customer relations and trademarks	404.0	(25.9)	48.9		(32.4)		394.6	10 years
GL SE Customer contracts			9.2	332.0	(32.3)		308.8	1–5 years
GL SE Cust relations			43.9	1 495.5	(38.9)		1 500.5	6–16 years
GL SE Technology			20.1	689.3	(38.3)		671.1	5–7 years
GL SE Trademarks			10.4	340.1	0.0		350.5	-
GL SE Group other intangible assets			6.4	246.7	(39.8)		213.4	1–8 years
Total	**415.1**	**(29.5)**	**138.9**	**3 119.1**	**(184.5)**	**0.0**	3 459.1	

Other intangible assets are amortised linearly, based on evaluation of economic life.

14 FIXED ASSETS

	LAND, BUILDINGS AND OTHER PROPERTY	OFFICE EQUIP-MENT, FIXTURES AND FITTINGS
Cost at 1 January 2013	920.6	1 992.2
Revaluation effects	90.8	39.6
Additions from business combination in 2013	64.0	259.7
Other additions in 2013	154.3	295.4
Disposals in 2013	(4.7)	(22.1)
Accumulated depreciation at 31 December 2013	(283.8)	(1 743.8)
Book value at 31 December 2013	**941.2**	**821.0**
Depreciation 2013	75.6	192.1
Economic life	15–67 years	3–15 years
Depreciation plan	Linear	Linear

15 INVESTMENT IN ASSOCIATES

1 Jan. 2012, DNV and Nemko merged the medical certification and Ex services from Det Norske Veritas Certification AS (10 employees) and Nemko AS into a joint venture company, DNV Nemko Presafe AS. DNV GL Group AS owns 50% of DNV Nemko Presafe AS, through the subsidiary DNV Business Assurance Group AS. The investment is considered to be a joint venture and the investement is recognised in accordance with the equity method in the accounts of DNV GL Group AS.

Investment in DNV Nemko Presafe AS 31 December 2012	**14.1**
50% of loss after tax in DNV Nemko Presafe AS 2013	**(5.5)**
Investment in associates 31 December 2013 (Group)	**8.5**

16 OTHER SHORT-TERM LIABILITIES

	DNV GL GROUP AS - GROUP	
	2013	2012
Advances from customers	1 897.2	1 165.1
Accrued expenses	626.0	468.9
Accrued bonus to employees	620.7	304.0
Accrued holiday allowances	503.0	354.3
Unrealised loss (gain) and interest related to forward contracts	38.1	(171.0)
Other short-term liabilities	580.1	268.0
Total other short-term liabilities	4 265.1	2 389.4

17 OTHER LONG-TERM RECEIVABLES

	DNV GL GROUP AS - GROUP	
	2013	2012
Loans to employees	69.9	59.6
Convertible loan to Storm Geo Holding AS	46.7	42.4
Other long-term receivables	332.7	268.9
Total other long-term receivables	449.3	370.9

18 CASH AND BANK DEPOSITS

DNV GL Group AS has a cash pool system with DNB ASA, in which most of legacy DNV legal entities participate. This system includes an overdraft facility of NOK 50 million.

DNV GL Group AS' wholly owned subsidiary in China, Det Norske Veritas China Company Ltd has an agreement for a CNY 150 million credit facility with Citibank in China. The facility is guaranteed by DNV GL AS through a parent company guarantee. The facility is undrawn at year-end 2013.

DNV GL Group AS has a cash pool system with Handelsbanken, in which all of DNV GL Group AS' legal entities in Sweden, Finland, Estonia Latvia and Lithuania participate.

DNV GL Group AS has a cash pool system with Citibank, in which most of legacy DNV legal entities in the Euro-countries participate. DNV GL Group AS' wholly owned subsidiary in India, DNV Business Assurance India Private Ltd has an agreement for an INR 250 million credit facility with Citibank in India. The facility is guaranteed by DNV GL Group AS through a parent company guarantee. The facility is undrawn at year-end 2013.

Balances on bank accounts participating in the cash pooling systems are considered as internal assets or liabilities vis-à-vis other Group participants. For DNV GL Group AS on a consolidated basis, the net total balance of NOK 318 million with DNB ASA, NOK 32 million with Handelsbanken and NOK 4 million with Citibank are included in Cash and bank deposits in the balance sheet at 31 December.

19 LONG-TERM LOANS

DNV GL Group AS has an agreement for a NOK 1 600 million multi-currency revolving credit facility with Handelsbanken Norwegian branch of Svenska Handelsbanken AB. The facility expires in December 2016 and is undrawn as per year-end 2013.

The credit agreement supporting this facility has certain covenants, including a negative pledge clause, and also restrict DNV GL Group AS' ability to freely dispose of material assets. The credit agreement further requires that DNV GL Group AS on a consolidated basis maintains a certain minimum level of equity and that the net interest bearing debt does not exceed a set level relative to total equity. DNV GL Group AS was well within all covenants at year-end.

20 GUARANTEES

DNV GL GROUP AS			DNV GL GROUP AS - GROUP	
2013	2012		2013	2012
0.0	0.0	Guarantee commitments not included in the accounts	206.1	152.4

These guarantees are not secured by mortgage.

21 EQUITY

	SHARE CAPITAL	OTHER EQUITY	NON-CONTROLLING INTEREST	DNV GL GROUP AS
Equity 31 December 2012 DNV GL Group AS	10.1	2 762.9	0.0	2 773.0
Demerger 1 January 2013 / demerger difference	(1.0)	(677.0)		(678.0)
Extraordinary dividend paid to Det Norske Veritas Holding AS 2013		(661.7)		(661.7)
Contribution in kind GL SE Group	36.5	9 323.5		9 360.0
Share capital fund issue	54.5	(54.5)		0.0
Profit for the year		7.0		7.0
Equity 31 December 2013 DNV GL Group AS	**100.0**	**10 700.3**	**0.0**	10 800.3

	SHARE CAPITAL	OTHER EQUITY	NON-CONTROLLING INTEREST	DNV GL GROUP AS - GROUP
Equity 1 January 2013 DNV GL Group AS – Group	9.0	4 923.7	4.5	4 937.2
Extraordinary dividend paid to Det Norske Veritas Holding AS 2013		(661.7)		(661.7)
Contribution in kind GL SE Group	36.5	9 323.5		9 360.0
Share capital fund issue	54.5	(54.5)		0.0
Change in unrecognised net gain defined benefit pension plans 2013		99.4		99.4
Foreign currency translation		1 051.5		1 051.5
(Gross) loss on hedge of net investments		(272.6)		(272.6)
Tax effect from hedging of net investments in foreign subsidiaries		74.4		74.4
Non-controlling interest from business combination			13.8	13.8
Non-controlling interest other movements			(3.3)	(3.3)
Profit for the year		668.5	2.6	671.0
Equity 31 December 2013 DNV GL Group AS – Group	**100.0**	**15 152.2**	**17.5**	15 269.7

The share capital of DNV GL Group AS consist of 1 000 000 shares, with par value of NOK 100 each. The company is owned 63.5% by Det Norske Veritas Holding AS, with business office in Bærum, Norway and 36.5% by Mayfair Vermögensverwatungs SE with business office in Hamburg, Germany.

22 RELATED PARTY TRANSACTIONS

DNV GL AS has a lease agreement for the office buildings at Høvik and Stavanger, Norway with the related party Det Norske Veritas Eiendom AS, the rent expensed in 2013 amounts to NOK 217 million.

GL SE has a lease agreement for the office building in Hamburg, Germany with the related party BTK 18 Gmbh, the rent expensed for the period October to December 2013 amounts to NOK 15 million. The rental amounts in both lease agreements are based on arm's length principles.

DNV GL AS has a management services agreement with the related party Det Norske Veritas Holding AS for general management and administrative services. The revenue reflected for these services in 2013 is NOK 19 million.

The management services agreement is based on arm's length principles.

AUDITOR'S REPORT

TO THE ANNUAL SHAREHOLDERS' MEETING OF DNV GL GROUP AS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of DNV GL GROUP AS, comprising the financial statements for the Parent Company and the Group. The financial statements for the Parent Company and the Group comprise the balance sheet as at 31 December 2013, the statements of income, and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

THE BOARD OF DIRECTORS' AND GROUP CHIEF EXECUTIVE OFFICER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS. The Board of Directors and Group Chief Executive Officer are responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as the Board of Directors and Group Chief Executive Officer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements for the Parent Company and the Group.

OPINION. In our opinion, the financial statements of DNV GL GROUP AS have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Parent Company and the Group as at 31 December 2013 and their financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

OPINION ON THE BOARD OF DIRECTORS' REPORT. Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Directors' report concerning the financial statements, the going concern assumption and the proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

OPINION ON REGISTRATION AND DOCUMENTATION. Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that the Board of Directors and Group Chief Executive Officer have fulfilled their duty to ensure that the Company's accounting information is properly recorded and documented as required by law and generally accepted bookkeeping practice in Norway.

Oslo, 24 April 2014
ERNST & YOUNG AS

Finn Ole Edstrøm
State Authorised Public Accountant (Norway)

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Andy Glass / Happy Finish:
Landscape (panorama)
(cover and page 3 and 98)

Johs Bøe:
Board members (page 20–21)
Executive Committee (page 23)
Employees (page 52–53, 58, 60–63, 72–74, 78–79)

DNV GL Group:
Highlights (excl. windmills) (page 4–5)
Sea, land, sky (page 26–27)
R&I (page 46, 72)

Getty Images:
Who we are: page 5–11, 14–19
What we do: page 30, 34–45
How we work: page 50–59, 66–69, 76

DNV GL / Gyro:
page 12–13, 70–71, 77

iStock: shipping, page 28

Alamy: page 17, 48–49, 64

Statoil: page 8 (platform) and page 32 (photo by Kim Laland)

GRI CONTENT INDEX

MATERIALITY MATTERS
Global Reporting Initiative™ AT THE TIME OF PUBLICATION THE G4-17 TO G4-27 DISCLOSURES WERE CORRECTLY LOCATED IN THIS G4 CONTENT INDEX AND FINAL REPORT. 2014

SCOPE AND BOUNDARY OF THE REPORT

This annual report presents DNV GL's financial, social and environmental performance. The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (GRI G4) have been applied in preparing the report. In addition, DNV GL's vision for a global impact for a safe and sustainable future is reflected throughout the report.

We have applied the GRI principles for defining the sustainability content of the report. The selection of reported aspects is based on a systematic and comprehensive materiality assessment conducted in 2012-2013, involving a range of internal and external stakeholders (customers, civil society organisations, industry associations, management and employees).

(G4-23) In September 2013, DNV and GL merged and the DNV GL Group became operational affecting the sustainability management and reporting of the company. The process of the materiality assessment and for defining the report content is described in detail on page 50–52 in this report and on our web page: *dnvgl.com/about-dnvgl/sustainability/gri/sustainability-materiality-assessment.aspx*.

(G4-24 to 27) DNV GL engages with all our key stakeholders frequently an on a regular basis on a broad range of issues. Employees are represented in DNV GL governing bodies, including the Board of Directors, the Council and the DNV GL Corporate Sustainability Board (read more about how DNV GL engages with employees here: *dnvgl.com/about-dnvgl/sustainability/overview/engaging-stakeholders.aspx*.

We partner and have a close dialogue with a number of civil society organisations (see page 53–54 for global partnerships) and actively seek their input on how we work, through meetings and surveys. Moreover, we regularly meet with government representatives around the world to discuss issues of relevance to DNV GL). DNV GL – Business Assurance also conduct large scale annual customer surveys of thousands of customers, and engage stakeholders through a wide range of committees.

The GRI Content Index on the inside back cover of the report shows where you can find information on the material GRI Aspects. These aspects are reported on according to the 'Comprehensive' level. We also report on a selection of other relevant GRI indicators (see page 50–52 and *dnvgl.com/about-dnvgl/sustainability/gri/sustainability-materiality-assessment.aspx*).

(G4-17) The report covers all of DNV GL's global operations and subsidiaries, unless stated otherwise throughout the report. Due to the recent merger of DNV and GL, and the lack of systematic reporting on sustainability performance in legacy GL in the past, some GRI indicators do not cover the whole group.

Where this is the case, we state which entities are covered. We are in the process of integrating sustainability management and reporting systems with the aim of reporting for the whole group on all material Aspects in the next report. Moreover, the environmental reporting for legacy DNV in limited to locations with more than 40 employees. Based on number of employees by the end of 2013, the environmental reports represent approximately 73%.

The financial statements are the only elements of this report that have been externally assured. The annual financial statements have been audited by Ernst & Young.

The financial review has been prepared pursuant to the Norwegian Accounting Act and accounting principles and standards generally accepted in Norway. Information on the accounting principles applied to the subsidiaries is given in the notes to the financial statement.

We believe that this report is in accordance with the GRI Comprehensive option. The report has passed the GRI materiality matters check.

EC 1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

Revenues	15 234 MNOK
Operating costs	14 057 MNOK
Employee wages and benefits	8 446 MNOK
Payments to providers of capital	662 MNOK
Payments to governments	644 MNOK
Community investments*	5 MNOK
Economic value retained	669 MNOK

* **Boundary:** This item is only reported for our four global partnerships and collaborations to promote sustainable development (the Norwegian Red Cross, Sustainia, the World Wildlife Fund and the World Business Council for Sustainable Development).

EC 4 FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT

Total tax relief:	28 MNOK

GRI CONTENT INDEX

Externally assured [in brackets]

STRATEGY AND ANALYSIS

G4-1 [no]
CEO statement
page 10–11

G4-2 [no]
Key impacts, risks and opportunities
page 10–11, 16–19, 50–52,
dnvgl.com/about-dnvgl/sustainability/overview/impacts_risks_opportunities.aspx

ORGANISATIONAL PROFILE

G4-3 [no]
DNV GL Group
page 3, 5

G4-4 [no]
Primary brands and services
page 8–9

G4-5 [no]
HQ locations
Inside front cover

G4-6 [no]
Countries of operations
Inside front cover

G4-7 [no]
Ownership and legal form
page 12

G4-8 [no]
Markets served
Inside front cover, page 6, 8-9

G4-9 [no]
Scale of organisation
Employees: page 7
Net sales/revenues: page 6–7, 88
Total capitalization: page 83
Products & services: 31 main service categories

G4-10 [no]
Employee and workforce information
Breakdown of employee information: page 61 and inside front cover
Self-employed: dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx
Seasonal variations N/A:
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

G4-11 [no]
Collective bargaining agreements
page 63

G4-12 [no]
Supply chain description
dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx

G4-13 [no]
Significant changes to organisation
Share capital structure: page 86–87, 95
Suppliers: dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx
Operational changes:
page 10, 12 and 14

G4-14 [no]
Precautionary approach
page 64–69
dnvgl.com/about-dnvgl/sustainability/overview/collaborations/united-nations-global-compact.aspx

G4-15 [no]
External charters and principles
page 53–54
dnvgl.com/about-dnvgl/sustainability/overview/collaborations/default.aspx

G4-16 [no]
Memberships of associations
Group-level: Confederation of Norwegian Enterprise. Adequate information is currently unavailable at the Business Area level, but will be reported on in the 2014 Annual Report.

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17 [no]
Entities included in financial statements
Financial statement: page 86
Boundary: page 97

G4-18 [no]
Report content and Aspect boundaries
page 50–52, 97

G4-19 [no]
List of material aspects
dnvgl.com/about-dnvgl/sustainability/gri/sustainability-materiality-assessment.aspx

G4-20 [no]
Aspect Boundaries within organsation
dnvgl.com/about-dnvgl/sustainability/gri/sustainability-materiality-assessment.aspx

G4-21 [no]
Aspect Boundaries outside organisation
dnvgl.com/about-dnvgl/sustainability/gri/sustainability-materiality-assessment.aspx

G4-22 [no]
Effect of any restatements
None

G4-23 [no]
Significant changes to scope and aspect boundaries
page 97

STAKEHOLDER ENGAGEMENT

G4-24 [no]
List stakeholder groups
page 51, 97
dnvgl.com/about-dnvgl/sustainability/overview/engaging-stakeholders.aspx

G4-25 [no]
Identification of stakeholders
page 97
dnvgl.com/about-dnvgl/sustainability/overview/engaging-stakeholders.aspx

G4-26 [no]
Approach to stakeholder engagement
page 97
dnvgl.com/about-dnvgl/sustainability/overview/engaging-stakeholders.aspx

G4-27 [no]
Issues raised by stakeholders
page 52, 97
dnvgl.com/about-dnvgl/sustainability/overview/engaging-stakeholders.aspx

REPORT PROFILE

G4-28 [no]
Reporting period
1 January – 31 december 2013

G4-29 [no]
Date of previous report
May 2013

G4-30 [no]
Reporting cycle
Annual

G4-31 [no]
Contact point
Cecilie Hultmann,
cecilie.hultmann@dnvgl.com

G4-32 [no]
'In accordance' option
Comprehensive for material Aspects

GRI Content Index
Comprehensive

External Assurance report reference
The information provided in the GRI table of the 2013 Annual Report has not been externally assured. The 2014 report will be externally assured.

G4-33 [no]
External assurance policy and relationship
page 97

GOVERNANCE

G4-34 [no]
Governance structure
page 20–23
dnvgl.com/about-dnvgl/organisation.aspx
dnvgl.com/about-dnvgl/sustainability/overview/sustainability-governance.aspx

G4-35 [no]
Process for delegating authority
page 20–23
dnvgl.com/about-dnvgl/organisation.aspx
dnvgl.com/about-dnvgl/sustainability/overview/sustainability-governance.aspx

G4-36 [no]
Executive level positions for eco, env and soc topics
dnvgl.com/about-dnvgl/sustainability/overview/sustainability-governance.aspx

G4-37 [no]
Consultation process highest governance body and stakeholders
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-38 [no]
Composition of highest governance body
page 20–21
dnvgl.com/about-dnvgl/sustainability/overview/sustainability-governance.aspx
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-39 [no]
Combined chair and exec. officer
page 20–23

G4-40 [no]
Nomination and selection of highest governance body
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-41 [no]
Processes for avoiding and managing conflicts of interests
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-42 [no]
Roles in developing, approving and updating strategies and policies
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-43 [no]
Measures to develop highest governance body knowledge
None

G4-44 [no]
Processes for evaluating highest governance body's performance
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

Actions taken in response to evaluation of highest governance body's performance
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-45 [no]
Role of highest governance body to identify impact areas, risks and opportunities
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

Stakeholder consultation in support of highest governance body's identification of impact, risks and opportunities
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-46 [no]
Role of highest governance body in review of risk management
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-47 [no]
Frequency of review of impacts, risks and opportunities
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-48 [no]
Highest commitee or position to review and approve sustainability report
Board of Directors

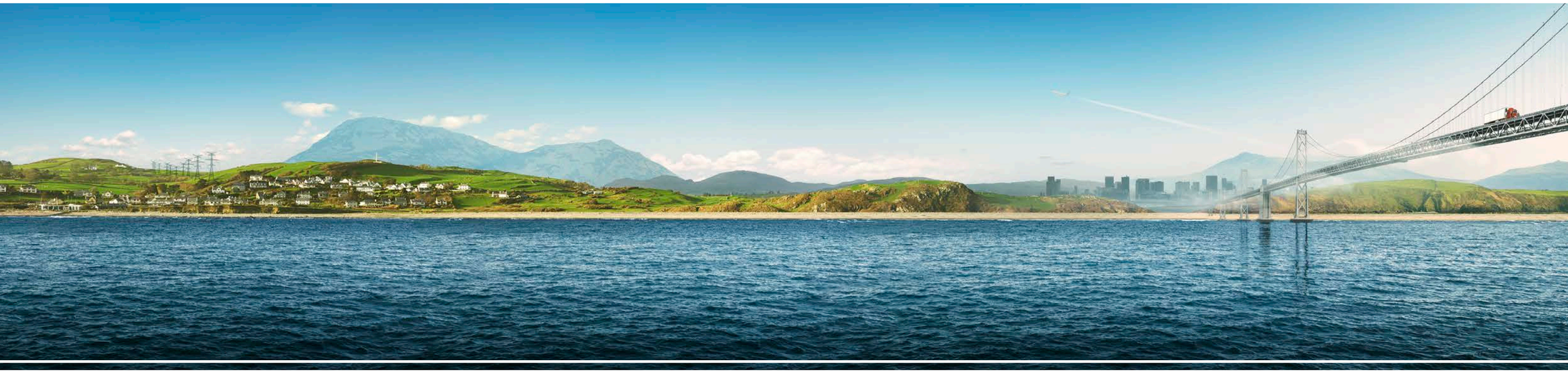
G4-49 [no]
Process for communicating critical concerns to highest governance body
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-50 [no]
Nature and total number of critical concerns
dnvgl.com/about-dnvgl/sustainability/overview/role-board.aspx

G4-51 [no]
Remuneration policies for highest governance body and senior executives
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

G4-52 [no]
Process for determining remuneration
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

Our shared vision to have 'global impact for a safe and sustainable future' is represented by our tagline. We take the broader view of business, industry and societal issues to enable our customers and society to become **safer, smarter and greener**.



Externally assured [in brackets]

G4-53 [no]
How stakeholder views are taken into account re remuneration
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

G4-54 [no]
Ratio highest paid individual to the median for all employees
Ratio = 5,7 (in Norway)

G4-55 [no]
Ratio of percentage increase of highest paid individual to the median for all employees
We do not report on G4-55 (Ratio of percentage increase of highest paid individual to the median for all employees) because the information is subject to confidentiality constraints. The number of senior executives in the countries in which we operate is so small, that it is not possible to keep confidential which individuals' salary is being reported.

ETHICS AND INTEGRITY

G4-56 [no]
Values, standards, principles and norms
page 2, 56–57

G4-57 [no]
Internal and external mechanisms for seeking advice on ethical and lawful behaviour
page 57

G4-58 [no]
Internal and external mechanisms for reporting on unethical and unlawful behaviour
page 57

ECONOMIC PERFORMANCE

G4-DMA [no]
Disclosure on Management Approach; Economic Performance
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-EC1 [no]
Direct economic value generated and distributed
page 97
Data is currently unavailable at the country, regional or market levels as no data is disclosed for 2013. Data will be collected and reported in the 2014 Annual report.

G4-EC2 [no]
Financial implications and other risks and opportunities for the organisation's activities due to climate change
dnvgl.com/about-dnvgl/sustainability/overview/impacts_risks_opportunities.aspx

G4-EC3 [no]
Coverage of the organisation's defined benefit plan obligations
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

G4-EC4 [no]
Financial assistance received from government
Financial assistence: page 97
By country is currently unavailable, but will be reported in the 2014 Annual Report. No government present in the shareholder structure

ENERGY

G4-DMA [no]
Disclosure on Management Approach: Energy
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-EN3 [no]
Energy consumption within the organisation
page 64–67

G4-EN4 [no]
Energy consumption outside of the organisation
page 64–67

G4-EN5 [no]
Energy intensity
page 64–67

G4-EN6 [no]
Reduction of energy consumption
page 64–67

G4-EN7 [no]
Reductions in energy requirements of products and services
Not applicable

EMISSIONS

G4-DMA [no]
Disclosure on Management Approach: Emissions
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-EN15 [no]
Direct Greenhouse Gas (GHG) emissions (Scope 1)
page 65–66

G4-EN16 [no]
Energy indirect Greenhouse Gas (GHG) emissions (scope 2)
page 65–66

G4-EN17 [no]
Other Indirect Greenhouse Gas (GHG) emissions (Scope 3)
page 65–66

G4-EN18 [no]
Greenhouse Gas (GHG) emissions intensity
page 65–66

G4-EN19 [no]
Reduction of Greenhouse Gas (GHG) emissions
page 65–66

G4-EN20 [no]
Emissions of Ozone-Depleting Substances (ODS)
page 65–66

G4-EN21 [no]
NO_x, SO_x, and other significant air emissions
page 65–66

EFFLUENTS AND WASTE

G4-DMA [no]
Disclosure on Management Approach: Effluents and waste
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-EN22 [no]
Total water discharge by quality and destination
Not applicable

G4-EN23 [no]
Total weight of waste by type and disposal method
page 67–68

G4-EN24 [no]
Total number and volume of significant spills
page 67–68

G4-EN25 [no]
Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention annex I, II, III, and VIII, and percentage of transported waste shipped internationally
Not applicable

G4-EN26 [no]
Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organisation's discharges of water and runoff
Not applicable

COMPLIANCE (ENVIRONMENT)

G4-DMA [no]
Disclosure on Management Approach: Compliance Environment
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-EN29 [no]
Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations
0
No cases on non-compliance with laws or regulations in 2013

SUPPLIER ENVIRONMENTAL ASSESSMENT

G4-DMA [no]
Disclosure on Management Approach: Supplier Environmental Assessment
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-EN32 [no]
Percentage of new suppliers that were screened using environmental criteria
page 52, dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx

G4-EN33 [no]
Significant actual and potential negative environmental impacts in the supply chain and actions taken
page 52, dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx

EMPLOYMENT

G4-DMA [no]
Disclosure on Management Approach: Employment
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-LA1 [no]
Total number and rates of new employee hires and employee turnover by age group, gender and region
Hires: dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx
Turnover: page 63, dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

G4-LA2 [no]
Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

G4-LA3 [no]
Return to work and retention rates after parental leave, by gender
Current data is not sufficient to report this for the company. Attempts to improve data collection for the 2014 Annual Report is in place.

LABOR/MANAGEMENT RELATIONS

G4-DMA [no]
Disclosure on Management Approach: Labor/Management Relations
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-LA4 [no]
Minimum notice periods regarding operational changes, including whether these are specified in collective agreements
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

OCCUPATIONAL HEALTH AND SAFETY

G4-DMA [no]
Disclosure on Management Approach: Occupational health and safety
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-LA5 [no]
Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs
page 74

G4-LA6 [no]
Type of injuryand rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender
page 70–75

G4-LA7 [no]
Workers with high incidence or high risk of diseases related to their occupation
page 72

G4-LA8 [no]
Health and safety topics covered in formal agreements with trade unions
dnvgl.com/about-dnvgl/sustainability/priorities/health-safety-employees.aspx

TRAINING AND EDUCATION

G4-DMA [no]
Disclosure on Management Approach: Traning and education
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-LA9 [no]
Average hours of training per year per employee by gender, and by employee category
Gender: dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx
Employee category: page 61

G4-LA10 [no]
Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

G4-LA11 [no]
Percentage of employees receiving regular performance and career development reviews, by gender and by employee category
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

DIVERSITY AND EQUAL OPPORTUNITY

G4-DMA [no]
Disclosure on Management Approach: Diversity and Equal Opportunity
page 62, dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

Externally assured [in brackets]

G4-LA12 [no]
Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity
Board of Directors: page 20–21
Employees: page 61–63 and inside front cover
Note: we describe diversity in terms of gender, age and nationality and do not consider ethnic groups or use the term 'minority'. In our global operations with a mobile workforce, a person of certain ethnic group could be considered part of the majority in one place but a minority in another.

EQUAL REMUNERATIONS FOR WOMEN AND MEN

G4-DMA [no]
Disclosure on Management Approach: Equal Remuneration for Women and Men
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-LA13 [no]
Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation
dnvgl.com/about-dnvgl/sustainability/priorities/employee-reporting.aspx

SUPPLIER ASSESSMENT FOR LABOR PRACTICES

G4-DMA [no]
Disclosure on Management Approach: Supplier Assessment for Labor Practices
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-LA14 [no]
Percentage of new suppliers that were screened using labor practices criteria
page 52, dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx

G4-LA15 [no]
Significant actual and potential negative impacts for labor practices in the supply chain and actions taken
page 52, dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx

NON-DISCRIMINATION

G4-DMA [no]
Disclosure on Management Approach: Non-discrimination
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-HR3 [no]
Total number of incidents of discrimination and corrective actions taken
3 (see page 58)
All cases have been investigated and incidents are no longer subject to action.

SUPPLIER HUMAN RIGHTS ASSESSMENT

G4-DMA [no]
Disclosure on Management Approach: Supplier Human Rights Assessment
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-HR10 [no]
Percentage of new suppliers that were screened using human rights criteria
page 52, dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx

G4-HR11 [no]
Significant actual and potential negative human rights impacts in the supply chain and actions taken
page 52, dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx

LABOR PRACTICES GRIEVANCE MECHANISMS

G4-DMA [no]
Disclosure on Management Approach: Labor Practices Grievance Mechanisms
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-LA16 [no]
Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms
page 57–58

ANTI-CORRUPTION

G4-DMA [no]
Disclosure on Management Approach: Anti-corruption
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-SO3 [no]
Total number and percentage of operations assessed for risks related to corruption and the significant risks identified
No assessment in 2013. See page 59 for details about the planned assessment.

G4-SO4 [no]
Communication and training on anti-corruption policies and procedures
page 58–59. Data on regional breakdown is currently unavailable, but will be reported on in the 2014 Annual Report. On business partners, information is currently unavailable due to the recent merger.

G4-SO5 [no]
Confirmed incidents of corruption and actions taken
None

ANTI-COMPETITIVE BEHAVIOUR

G4-DMA [no]
Disclosure on Management Approach: Anti-competitive behaviour
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-SO7 [no]
Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes
None

COMPLIANCE (SOCIETY)

G4-DMA [no]
Disclosure on Management Approach: Compliance Society
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-SO8 [no]
Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations
None
No fines or other non-monetary sanctions for non-compliance with laws or regulations have been identified.

SUPPLIER ASSESSMENT FOR IMPACT ON SOCIETY

G4-DMA [no]
Disclosure on Management Approach: Supplier Assessments for Impact on Society
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-SO9 [no]
Percentage of new suppliers that were screened using criteria for impacts on society
page 52, dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx

G4-SO10 [no]
Significant actual and potential negative impacts on society in the supply chain and actions taken
page 52, dnvgl.com/about-dnvgl/sustainability/projects/supplier-sustainability.aspx

CUSTOMER PRIVACY

G4-DMA [no]
Disclosure on Management Approach: Customer Privacy
dnvgl.com/about-dnvgl/sustainability/gri/disclosure-management-approach.aspx

G4-PR8 [no]
Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data
None
No substantiated complaints regarding breaches of customer privacy and losses of customer data have been identified.

For some indicators, complete data is currently unavailable to report adequately. Where this is the case, the *Reason for Omission* is indicated either in the index column directly or on the web-page where the information should have been reported.

= GRI material Aspects

(see details on dnvgl.com/about-dnvgl/sustainability/gri/sustainability-materiality-assessment.aspx)

SAFER, SMARTER, GREENER

HEADQUARTERS:

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Driven by our purpose of safeguarding life, property and the environment, DNV GL enables organisations to advance the safety and sustainability of their business. We provide classification and technical assurance along with software and independent expert advisory services to the maritime, oil and gas, and energy industries. We also provide certification services to customers across a wide range of industries. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping our customers make the world safer, smarter and greener.

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