



ANNUAL REPORT 2014

YEAR ONE 150 YEARS

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

YEAR ONE 150 YEARS

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ABOUT DNV GL

Driven by our purpose of safeguarding life, property and the environment, we enable organizations to advance the safety and sustainability of their business.

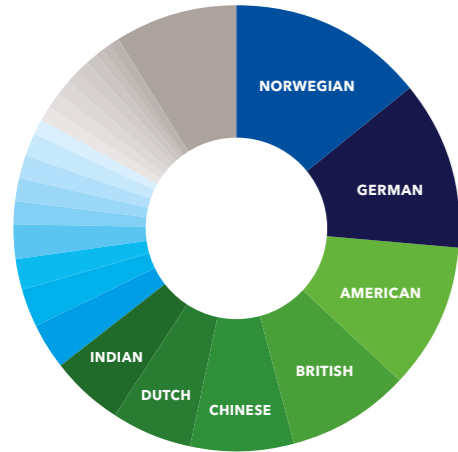
We provide classification, technical assurance, software and independent expert advisory services to the maritime, oil & gas and energy industries. We also provide certification services to customers across a wide range of industries.

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 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.

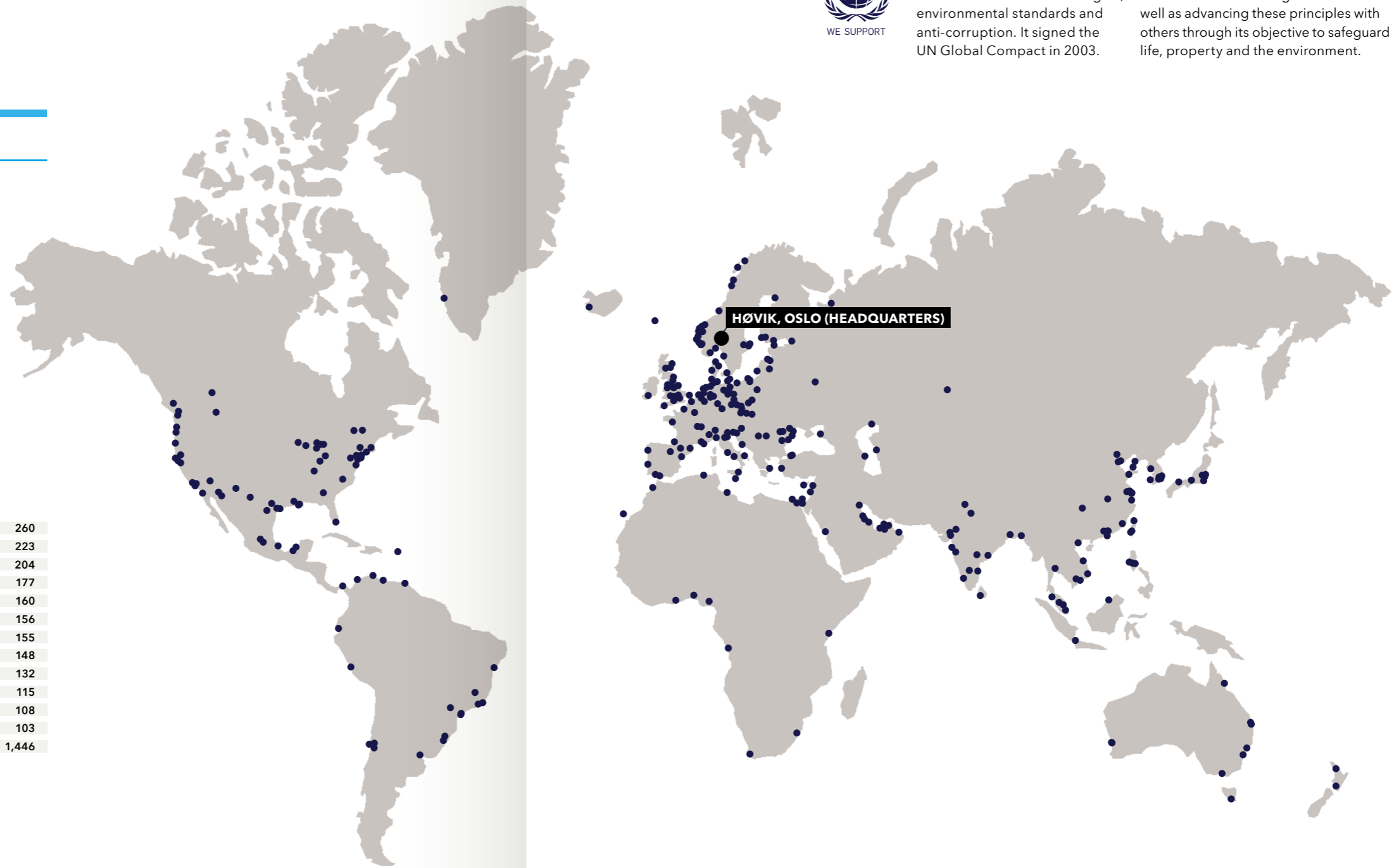
WORLDWIDE PRESENCE

EMPLOYEES BY NATIONALITY AS PER 31.12.2014



Norwegian	2,234	Singaporean	260
German	1,908	Spanish	223
American	1,673	Swedish	204
British	1,373	French	177
Chinese	1,165	Egyptian	160
Dutch	914	Canadian	156
Indian	836	Japanese	155
Korean	529	Mexican	148
Italian	411	Greek	132
Brazilian	370	Australian	115
Polish	369	Russian	108
Malaysian	280	Indonesian	103
Danish	263	Other	1,446

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



SUPPORT OF UN GLOBAL COMPACT PRINCIPLES



DNV GL is committed to the 10 universal principles in the areas 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 organization as well as advancing these principles with others through its objective to safeguard life, property and the environment.

CUSTOMERS

80,000+

ESTABLISHED

1864

OFFICES WORLDWIDE

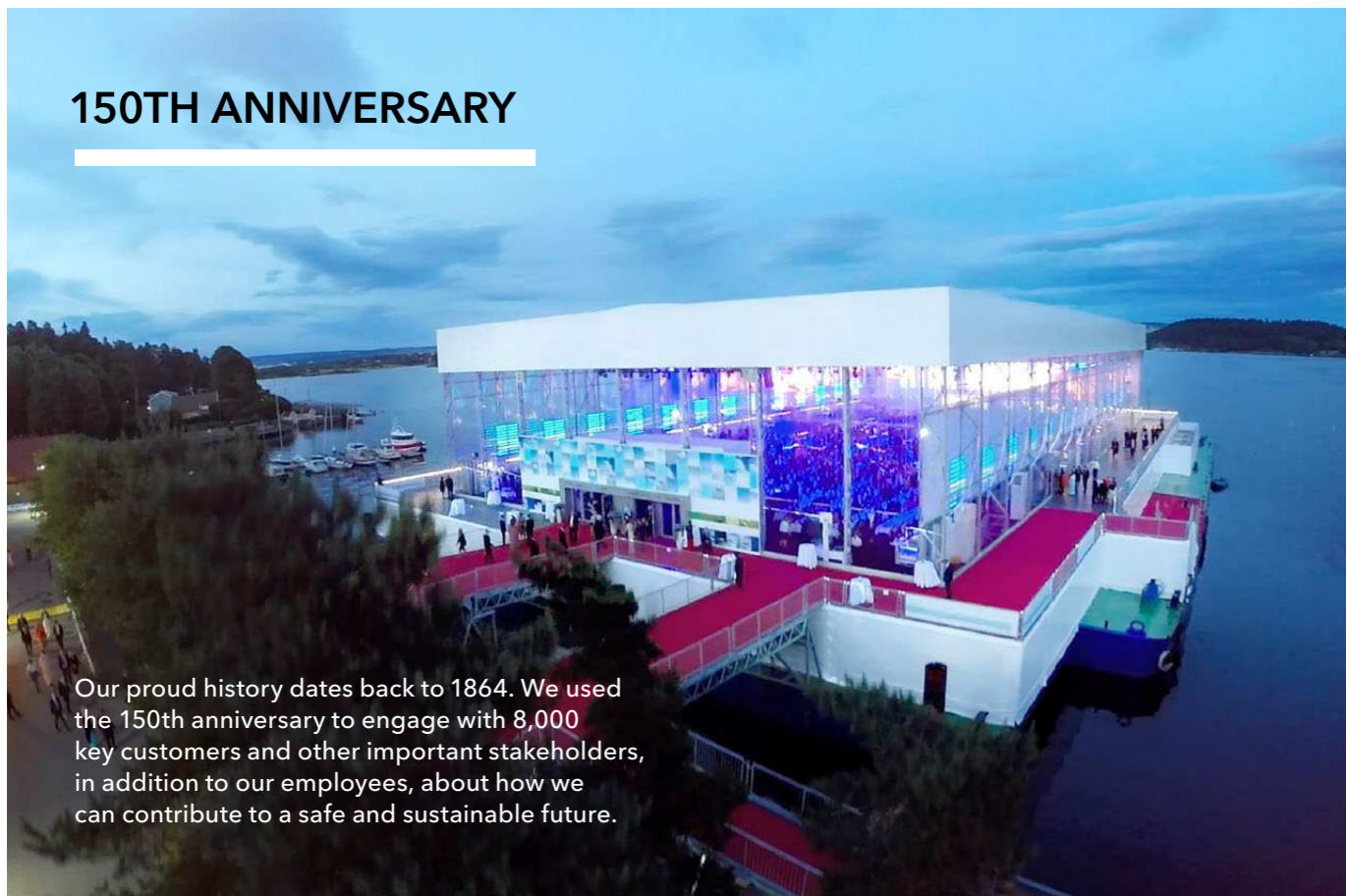
381



COUNTRIES

100+





150TH ANNIVERSARY

Our proud history dates back to 1864. We used the 150th anniversary to engage with 8,000 key customers and other important stakeholders, in addition to our employees, about how we can contribute to a safe and sustainable future.

FIRST FULL YEAR AS A MERGED COMPANY

▼ 2014 was the first full year of operation for DNV GL following the closing of the merger between DNV and GL in September 2013.



139 OFFICES MERGED ACROSS THE WORLD

We merged offices in locations where both legacy DNV and legacy GL were present. Although the number of offices was reduced by 139, it still leaves us with one of the industry's widest and densest global networks, with 381 offices all over the world.

STRONG COMMITMENT TO INNOVATION

We reconfirmed our commitment to invest 5% of annual revenues in research and innovation, only now from a much larger revenue base. Activities included long-term strategic research and insights for the maritime, oil and gas, power and healthcare sectors, and a range of collaborative innovation projects.

ACQUISITIONS

While concentrating our efforts on merging DNV and GL, we grew our activities with minor acquisitions: a software control testing company, Marine Cybernetics, and a solar panel testing expert, PV Evolution Labs. We also increased our minority shareholding in the weather company StormGeo.



NEW BRAND ROLLED OUT GLOBALLY

The DNV GL brand was introduced in December 2013, but was implemented across all our operations and activities during 2014: from office signage, clothing, stationery and vehicles, to marketing material, websites, documents and software systems.



CONSOLIDATED OUR LEADING POSITIONS IN THE FIELD OF LABORATORY TESTING

We tripled the size of our laboratory in Singapore to deliver testing and innovative solutions for the marine and offshore industries. Our Euro 70 million investment in the world's leading high power laboratory in the Netherlands progressed according to plan and will be finished in 2016. In New York, we opened a battery and energy storage technology testing and commercialization centre.



IMPLEMENTATION OF COMMON IT AND MANAGEMENT SYSTEMS

We implemented common IT and management systems across our global operations and legacy companies to align the way we work and enable seamless collaboration. The end goal is to serve our customers in an efficient, consistent and professional manner.

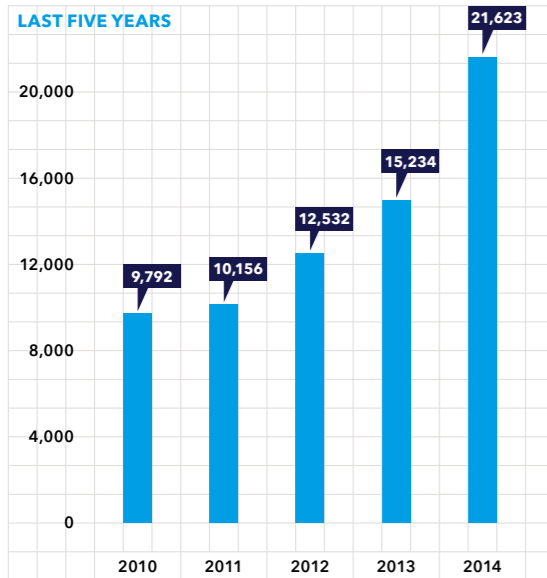


REVENUE (MILLION NOK)

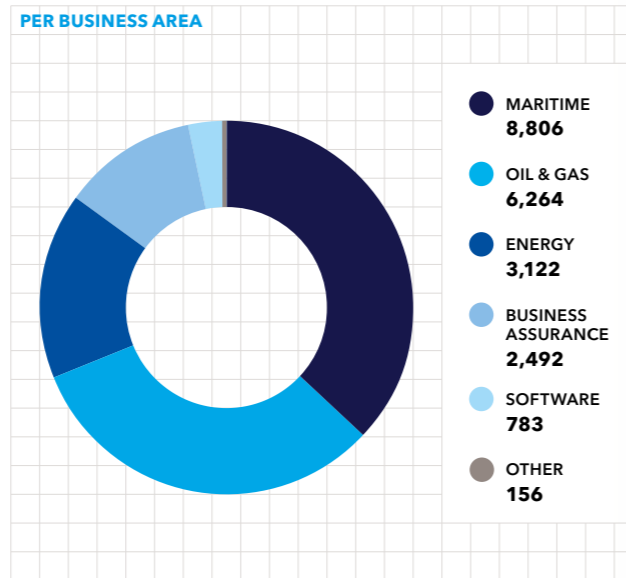
21,623

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.

LAST FIVE YEARS

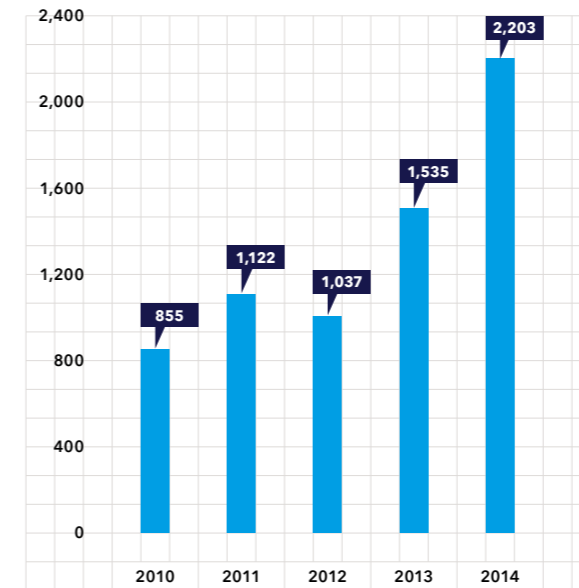


PER BUSINESS AREA



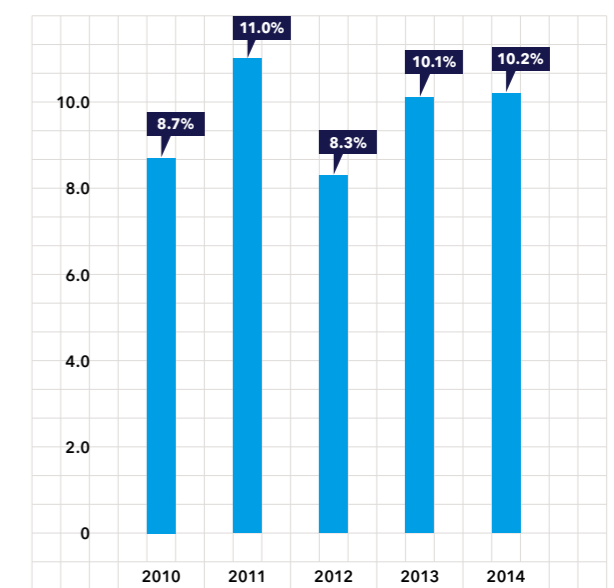
EBITA (MILLION NOK)

2,203



EBITA MARGIN (%)

10.2%

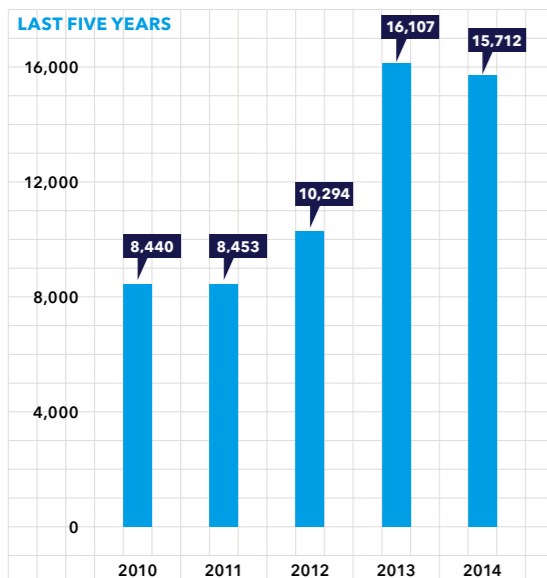


NUMBER OF EMPLOYEES

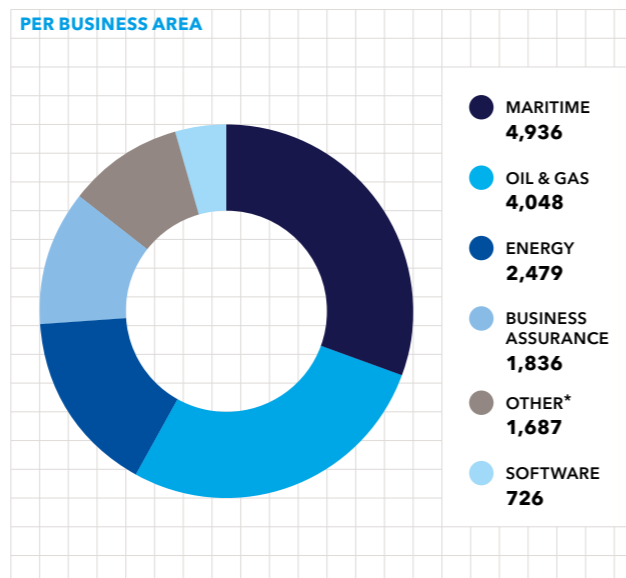
15,712

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.

LAST FIVE YEARS



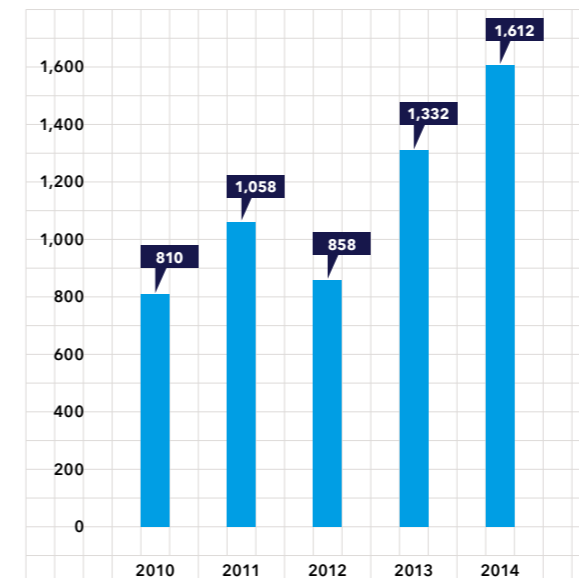
PER BUSINESS AREA



* Group functions, Research & Innovation and shared services

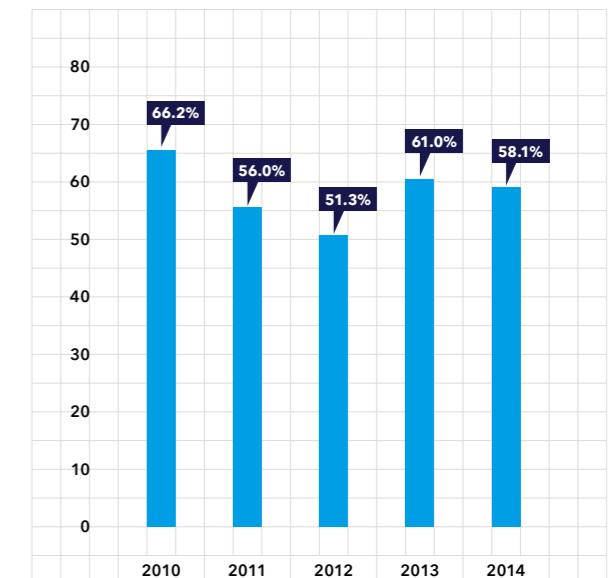
EBIT/OPERATING PROFIT (MILLION NOK)

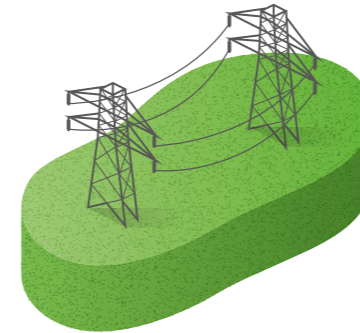
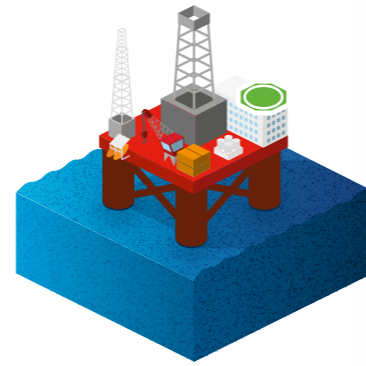
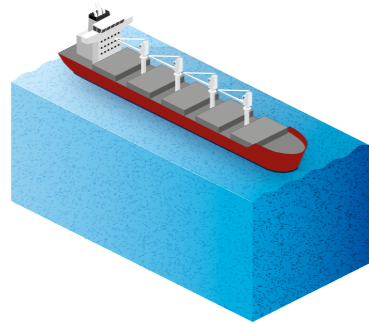
1,612



EQUITY RATIO (%)

58.1%





We serve our customers through four business areas and two independent business units.



MARITIME

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

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

OIL & GAS

From the drawing board to decommissioning, we provide technical advice to enable oil and gas companies to enhance safety, increase reliability and manage costs in projects and operations.

SERVICES INCLUDE:

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

ENERGY

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

SERVICES INCLUDE:

- » Power testing, inspections and certification
- » Renewables advisory services
- » Renewables certification
- » Electricity transmission and distribution advisory services
- » Energy efficiency services

BUSINESS ASSURANCE

We help customers in all industry sectors build sustainable business performance and create stakeholder trust.

SERVICES INCLUDE:

- » Management system certification
- » Product assurance
- » Supply chain assessment and assurance
- » Sustainability strategy and reporting
- » Certification of persons
- » Training services
- » Food & beverage certification and assessment
- » Healthcare accreditation and assessment

SOFTWARE

PRODUCTS INCLUDE SOFTWARE FOR:

- » Design and engineering
- » Process safety, risk and reliability
- » QHSE and enterprise risk management
- » Simulation and optimization
- » Asset integrity and performance
- » Maritime and class
- » Electric grid reliability and performance

MARINE CYBERNETICS

PRODUCTS INCLUDE:

- » Hardware-in-the-loop testing of control systems software
- » Dynamic capability analysis
- » Cybersecurity and network resilience

FIRST YEAR AS ONE IN OUR 150TH YEAR

We reached a double milestone in 2014: our 150th anniversary and first year of operation as DNV GL. I am very proud of our strong legacy and not least the start of a new era following the merger of DNV and GL. Under the theme 'Year One - 150 Years', we chose not just to look back at our 150-year history.

We also looked ahead and took the opportunity to introduce and position the new company and engage with our employees and over 8,000 selected customers and other important stakeholders all over the world. We explored and reported on the future of shipping, electrification, transformative technologies, climate change adaptation and the Arctic - displaying industry pathways to a safe and sustainable future.

The integration of two such global companies as DNV and GL has obviously been complex and a lot of hard work. Our ambitions for this first full year of operation have been to maintain the high quality of services to customers while aligning our employees, integrating service lines and establishing common systems, tools and processes. Almost 16,000 employees are now able to work on a strong common platform, allowing them to effectively help improve our customers' business performance.

Our people have physically come together in common office buildings in almost all of our 380 locations around the world, and our new brand has been implemented across thousands of touch points during the year. The integration has been demanding, but has progressed according to plan and I am proud of what we have achieved using our own people and in a short time frame.

The rationale for the merger was to create a global leader that could better enable our customers to advance their business performance in a safe, efficient and sustainable manner: by offering a broader set of services and unrivalled technical expertise and innovations, and by being an impartial partner that adds value along the entire shipping, oil & gas and energy value chains in more than 100 countries. I think we have already come a long way in realizing that goal, as you will see evidence of in this report.

FROM MAKING THINGS WORK TO MAKING THINGS GREAT. There is still some work to do before we can state that the integration is complete. While we have spent a lot of resources on making things work in the merged organization, we are now ready to make the organization even greater - for our customers and for our employees.

We are currently finalizing the harmonization of the ship and offshore classification rules of legacy DNV and legacy GL. These rules represent the backbone of many of our services. Our ambition is not just to take the best from the existing rule sets but also to develop the most modern and forward-

OUR AMBITION IS NOT JUST TO TAKE THE BEST FROM THE EXISTING RULE SETS BUT ALSO TO DEVELOP THE MOST MODERN AND FORWARD-LOOKING SET OF RISK- AND PERFORMANCE-BASED CLASSIFICATION RULES.

looking set of risk- and performance-based classification rules. We are combining almost 300 years of accumulated knowledge to create this new benchmark for the maritime industry. We are producing 30,000 pages of technical documentation covering all ship types and 200 experts are working to finalize the new rule set by early 2016.

CHALLENGING MARKETS. DNV GL operates in market segments that are cyclical of nature and sensitive to changes in the international economy. Lower freight and charter rates in the maritime industry and a lower oil price create market challenges that we must face by becoming even better at addressing our customers' short- and long-term challenges. I am confident that we have laid a solid foundation for being the most trusted and preferred technical partner to help our customers improve their safety, quality and operational efficiency. A new service concept in which we provide our maritime customers across the globe with around-the-clock direct access to our technical experts is a recent example of our increased responsiveness.

Global demand for energy will continue to grow, but we are in dire need of an energy transition that makes us less reliant on fossil energy sources. Our role is to enable manufacturers, utilities, project developers and regulators in the power sector to address the energy trilemma: clean, affordable and reliable energy. In the past year, we streamlined our service offering to focus on this challenge and will continue to do so in 2015. With technical expertise spanning renewable energy, power transmission and distribution, I believe we are uniquely positioned to facilitate this energy transition.

Our Business Assurance arm serves all industry sectors and the healthy growth in the certification of management systems and supply chain services has proven quite resil-



ient to the sluggish growth of the global economy. The special attention we have paid to building a position within the healthcare and food and beverages industries has resulted in double-digit growth in these sectors.

FROM RISKS TO OPPORTUNITIES. DNV GL helps identify, assess and manage risks to enable our customers to become safer, smarter and greener. Integral to that is checking compliance and giving impartial advice on how to improve safety and optimize the performance of our customers' assets and day-to-day operations. But there is also a larger risk picture facing companies and society: weak global governance means that businesses are competing in a globalized economy without a true 'level playing field'. Challenges related to climate-change adaptations, energy supply security, political and social turmoil, new opportunities and risks created by technological change, and increasing public scrutiny all call for collaboration and trust-building between businesses, regulators and society at large.

I believe that collaboration and innovation are cornerstones in achieving sustainable development and long-term prosperity. That is why we devote 5% of our annual revenues to research and collaborative innovation together with customers, industry partners, research institutes and universities,

and why we engage in a range of initiatives with NGOs, opinion formers and other stakeholders. The publication of the first Global Opportunity Report together with the UN Global Compact and Monday Morning Global Institute is one such example. We have explored how five global risks can be turned into 15 opportunities and have asked 6,000 business leaders to assess these opportunities. This work created an open innovation platform where stakeholders worldwide can explore and capture sustainability opportunities and more than 120 readily available solutions.

MAKING AN IMPACT. At DNV GL, we remain committed to enhancing the positive impacts that our core business activities have on society. The greatest impact is through our services, standards and best practices. We integrate sustainability concepts into everything we do. This is manifested in how we conduct our business and in our governance of the entire group. Our health and safety performance is good but, as a key player in promoting safety, our performance must be excellent. We have therefore launched a Safety Culture programme to strengthen our attitudes, beliefs and behaviours regarding safety. As a service organization, our environmental impact is limited, but we focus on reducing the impact from our office buildings and travel activities.

The increase in our portfolio of laboratories and testing facilities means that our emissions and waste generation have also grown. We need to improve both the environmental performance of and reporting from these sites going forward. We continue to support the UN Global Compact principles relating to human rights, labour practises, the environment and anti-corruption. You will find details of our performance and goals in these areas in the 'How we work' section of this report.

As a global knowledge company, we rely entirely on our people, so promoting the continued well-being, competence and development of our employees is fundamental to our business. Employee engagement, well-being and staff retention remained high during the integration period.

All in all, I am very proud of all our accomplishments in 2014, including our financial results and the way in which we helped to engage others in supporting our vision of a safe and sustainable future. There is no doubt that some of our main markets are facing tough times ahead. DNV GL will not remain unaffected, but I have strong confidence in our ability to constantly improve and adapt. We are currently developing a new strategy for 2016-2020 and have involved many parts of our organization and a large number of our customers and stakeholders in this process.

I AM CONFIDENT THAT WE HAVE LAID A SOLID FOUNDATION FOR BEING THE MOST TRUSTED AND PREFERRED TECHNICAL PARTNER TO HELP OUR CUSTOMERS IMPROVE THEIR SAFETY, QUALITY AND OPERATIONAL EFFICIENCY.

DNV GL is built on a solid foundation. It rests on our purpose of safeguarding life, property and the environment and our vision of having a global impact for a safe and sustainable future. Our 16,000 employees live our values every day and they share a passion to help our customers become safer, smarter and greener.

Henrik O. Madsen

Henrik O. Madsen
President & CEO
DNV GL Group

CONSOLIDATING FOR A WORLD-LEADING INDUSTRY POSITION

2014 was the first full financial year of DNV GL Group AS (DNV GL) following the merger between DNV and GL in September 2013. The company achieved revenues for 2014 of NOK 21,623 million and consolidated its position as a global leader in classification, certification and technical advisory services.

DNV GL's vision of having global impact for a safe and sustainable future was a key rationale for the merger. The new company has a broader and better service offering and technical expertise, a denser global network and even stronger research and innovation capabilities to fulfil this vision. This allows DNV GL to better assist customers in improving their business performance in an increasingly complex risk and sustainability-focused business environment. Several new strategic contracts and new standards and innovations can be attributed to this in 2014.

During the past year, the company delivered strong financial results while successfully completing ambitious merger integration goals within a wide range of areas: from communicating the common strategy and rolling out a common IT platform and the new DNV GL brand globally, to merging offices and harmonizing management systems, processes, tools and services. The extensive work of creating and rolling out a common set of ship and offshore classification rules is well under way and will continue throughout 2015.

Under the title 'Year One - 150 Years', the company celebrated the 150th anniversary of DNV and its first year as DNV GL. Events for employees, customers and key stakeholders were held across the world emphasizing results from six forward-looking research projects. DNV GL used this opportunity to position itself as a thought leader within the following themes: A Safe and Sustainable Future,

Transformative Technologies, the Future of Shipping, Electrification, the Arctic, and Climate Change Adaptation. The anniversary events also served as a vehicle for internal engagement, cultural integration, and the introduction of the new DNV GL brand to employees, customers, authorities and other relations.

In the second quarter of 2014, customers, key opinion formers and media were asked to evaluate the new DNV GL brand in a survey carried out by Ipsos MMI, a global research institute. 3,000 respondents from 18 countries representing all main industry segments participated. On average, 88% of customers and key stakeholders were aware of DNV GL and of those, 85% were favourable to the company. Most importantly, 75% of those aware of DNV GL also trusted the company, which is a high score compared to survey benchmarks and crucial to its business model. In another independent global survey, DNV GL was ranked fifth for brand preference globally in the sustainability category, just behind the Big Four accounting firms.

In May 2014, DNV GL acquired a majority stake in Marine Cybernetics, a provider of third-party testing of computer-based control systems to the offshore and maritime industries.

The Board sincerely thanks the management and employees for their hard work and commitment displayed throughout 2014. The Board particularly acknowledges the extraordinary achievement of integrating two global companies while keeping a focus on customers and daily business operations.

MARKET

Although seaborne trade grew by over 3% in 2014, the shipping industry still struggles with an oversupply of tonnage and continuing low charter and freight rates in many shipping segments. After a decline by more than 20% in terms of gross tonnage in the contracting of new ships compared to 2013, the newbuilding order book represents 17% of the total fleet in service.

Newbuilding classification order intake was strong in the first half of 2014 but lost momentum over the last few months of the year. In total, DNV GL secured 532 newbuilding contracts for the classification of ships and mobile offshore units (MOUs), representing 18 million gross tonnes. In terms of gross tonnage, DNV GL's market share in the newbuilding business reached more than 20%. The total DNV GL-classed fleet consisted of 13,174 vessels and MOUs at the end of 2014, totalling 265.4 million gross tonnes. This gives DNV GL a 21% share of the classed world fleet in tonnage and maintains the company's leading position in ship and offshore classification.

Although the market environment was challenging, DNV GL's maritime services met the internal targets set for 2014 and delivered healthy results. Most notably, the certification of materials and components, verification services, ships in operation and offshore class in operation services delivered a strong performance. However, some competing classification societies have recently offered services at break-even prices, a trend that has affected DNV GL's newbuilding order book and ships in operation fleet. The maritime advisory services achieved positive results with significant growth in the past year. DNV GL's maritime experts carried out over 900 projects in 2014, with energy efficiency and hydrodynamic optimization, risk studies for LNG as ship fuel, as well as noise and vibration reduction dominating the advisory business.

2014 was a year where the oil and gas industry's inherent volatility was yet again confirmed. Cost concerns have been high on the industry agenda for years, but the dramatic fall in oil prices over the latter half of the year brought the issue into even sharper focus.

In reaction to the falling oil price, the industry experienced increasing cutbacks and delays in projects that have not yet been sanctioned. Even some projects that are in execution are being put on hold. Geopolitical issues also started to take effect,

as evidenced by the suspension of South Stream, a pipeline project to transport natural gas from the Russian Federation through the Black Sea to Bulgaria, and through Serbia, Hungary and Slovenia to Austria. This has added to the ongoing cost challenges for those projects that are proceeding with lower financial margins, and it puts increasing pressure on prices. Operators and contractors alike began issuing requests to their suppliers and service providers to reduce prices in 2014.

While the oil and gas industry's downturn has affected DNV GL's order book, it has also created new opportunities for the company to work with customers in developing 'smarter' solutions that improve the efficiency of projects and operations. As an example, DNV GL has played a key role in facilitating the ongoing drive for standardization to streamline processes, materials and documentation, which helps the industry adjust to this lower margin environment. This was supported by significant investment in its global network of technical and innovation hubs.

DNV GL also increased its involvement in many mega projects spanning the globe in 2014, which was a main strategic priority. These range from Chevron's Wheatstone project in Australia, to the classification and verification of ENI's Jangkrik floating production unit in Indonesia, and the provision of regulation compliance support for the Statoil Mariner field, the largest offshore development in the UK in more than a decade.

DNV GL's strength in North America's growing LNG sector was illustrated by its appointment to provide process safety in design verification for the FEED of the Lake Charles Liquefaction Project. This contract also shows the combined competency and significant synergies of DNV GL's legacy organizations, as teams from DNV's risk advisory unit in Houston and GL's process engineering team (formerly Advantica) worked together to provide optimal project results.

The shale oil and gas revolution in the US, cheap coal in Europe, geo-political and national uncertainties and the difficult financial outlook in the eurozone impacted DNV GL's energy customers in the US and Europe in 2014 and slowed down investment in renewables. However, we see the onshore wind and solar industries moving towards commercial maturity in many markets as costs decline and as part of the trend towards

a smart decentralized electricity system. As a result, transmission and distribution grids in all regions are evolving to integrate a growing share of renewable energy into the overall energy mix. Other emerging trends include improving electricity market interconnectivity and energy efficiency programmes, and a drive to reduce the costs of offshore power generation.

ALTHOUGH THE MARKET ENVIRONMENT WAS CHALLENGING, DNV GL'S MARITIME SERVICES MET THE INTERNAL TARGETS SET FOR 2014 AND DELIVERED HEALTHY RESULTS.

Following the challenging market conditions, DNV GL's energy arm showed a mixed picture in 2014: solid performance for its power testing, inspection, certification and sustainable use services, but lower performance for its advisory services. In line with market developments and the strategy, DNV GL further divested its services related to coal-based power generation and invested in world-class testing capabilities for solar power, industrial-scale battery storage and future super grids. Following the merger, DNV GL's in-depth knowledge of renewables, combined with its expertise in transmission and distribution grids, fits the current market need for the rapid integration of renewables into the grid. This, combined with DNV GL's expertise in the oil, gas and maritime industries, offers clear business opportunities for the years to come. The third party certification of two 100 km submarine cables in Qatar was one example of how this joint expertise came into use in 2014. DNV GL was the only provider to offer deep technical knowledge of submarine cables and offshore electrification together with testing capabilities and material certification services.

DNV GL - Business Assurance performed very well in 2014 with higher growth rates than its peers within certification of management systems, which spans all industry sectors.

The growth was particularly strong in the target sectors of food and beverages and healthcare. The growth was achieved in spite of difficult economic conditions in some of the main markets, in particular in Southern Europe.

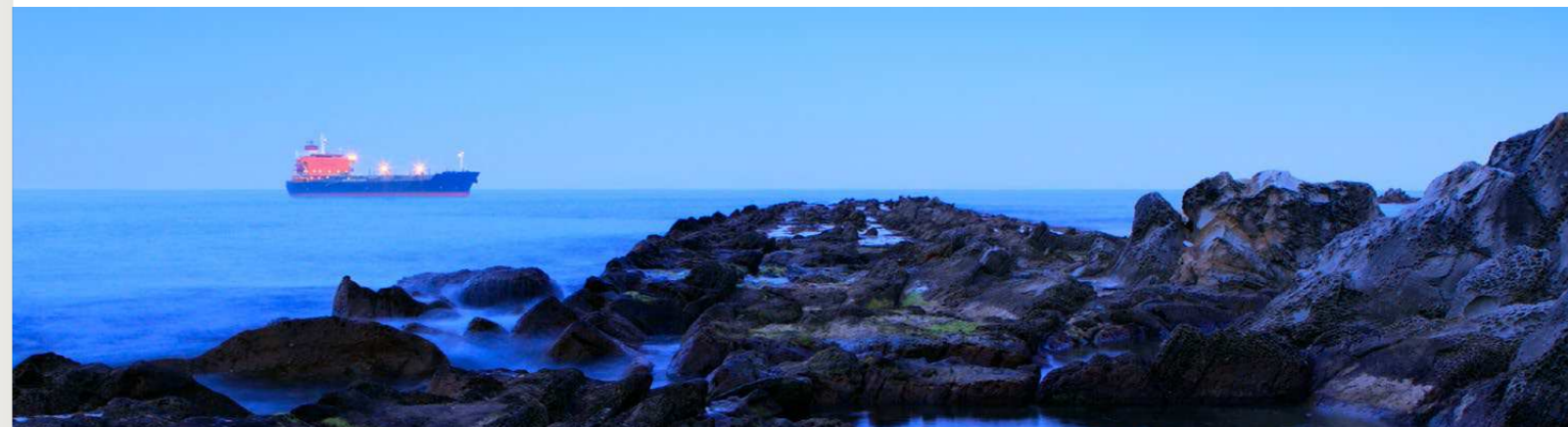
As a result of the merger, DNV GL has become a major provider of software solutions to manage risk and improve asset performance. DNV GL - Software achieved significant revenue growth in software product license sales and implementation services for most of its product lines, and strengthened its market positions in the shipbuilding, ship management and operation, offshore oil and gas, energy and process industries.

FINANCIAL PERFORMANCE

With effect from 2014, and including comparable figures from 2013, DNV GL Group has transitioned to International Financial Reporting Standards (IFRS) from Norwegian Accounting Standards (NGAAP). The financial statements have been prepared in accordance with the Norwegian Accounting Act and Regulations on Simplified IFRS. In all material aspects, Norwegian Simplified IFRS requires that the IFRS recognition and measurement criteria are complied with, but disclosure and presentation requirements follow the Norwegian Accounting Act. The transitional effects are shown in note 2.

DNV GL Group AS achieved operating revenue of NOK 21,623 million in 2014, an increase of NOK 1,919 million from 2013 (a pro-forma view in which the GL Group is fully included from 1 January 2013). Of the 10% revenue growth, 4% is organic growth in DNV GL. Less than 1% is non-organic growth, including acquisitions of Danish Standard Certification and Marine Cybernetics, and 5% is the result of currency effects. The currency effects accelerated in the last quarter of the year due to a weakening of the NOK versus most major currencies.

The Maritime business area recorded revenues of NOK 8,806 million and is the main driver of the 2014 growth in the DNV GL Group. The Oil & Gas business area grew more slowly in 2014 and recorded revenues of NOK 6,264 million. The Energy business area experienced a difficult year with an overall contraction and revenues of NOK 3,122 million. Business Assurance concluded the year with healthy growth and revenues of NOK 2,492 million. DNV GL - Software recorded revenues of NOK 783 million, and maintained the strong





growth from previous years. However, profitability dropped and the integration of software products from the two legacy companies was challenging. Marine Cybernetics has been included in DNV GL AS since May 2014 and contributed revenues of NOK 72 million for the eight month period.

Earnings before interest, tax and amortizations (EBITA) improved from NOK 1,535 million in 2013 to NOK 2,203 million in 2014. The strong EBITA development is primarily driven by classification and verification services to the maritime and oil & gas sectors. After amortizations of intangible assets of NOK 592 million in 2014, the operating profit (EBIT) increased by NOK 280 million from NOK 1,332 million in 2013 to NOK 1,612 million in 2014.

2014 was the last year where the legacy compensation and benefits schemes were still active. In 2015, all staff will be included in the deferred bonus scheme or the profit-sharing scheme. Based on the overall performance in 2014, the Board has approved a bonus payment of NOK 405 million.

Net financial income in 2014 was NOK 70 million. The weakening of the NOK in 2014 led to a positive currency effect of NOK 119 million due to gains on exposure in foreign currencies. Net interest costs on defined benefit pension plans amounted to NOK 50 million in 2014, while expenses related to interest and fees on external bank loans were NOK 17 million. Profit from investments in associated companies was NOK 23 million and other net interest – and other financial expenses amounted to NOK 5 million.

The tax expense in 2014 is estimated to be NOK 674 million, representing a 40% average tax rate for the DNV GL Group. Non tax-deductible withholding tax on dividends and

taxes related to previous years represent 10 percentage points of the average tax rate. The normalized tax rate for the ongoing business is calculated to be 30%, the same level as in the previous years.

The net profit for 2014 was NOK 1,007 million, compared to NOK 825 million for 2013. The net cash flow for the year was positive by NOK 57 million. The cash flow from operations was NOK 1,658 million in 2014. The cash flow from operations reflects strong results and positive currency effects, but was partly offset by an increase of NOK 701 million in working capital. The cash flow from investments was NOK 1,770 million in 2014, including; tangible asset investments of NOK 583 million, mainly from investments in laboratories in Energy and Oil & Gas, acquisitions of NOK 387 million and settlement to minority shareholders in N.V. KEMA. The cash flow from financing activities was NOK 169 million, included external loans of NOK 500 million and dividends paid to the shareholders of NOK 336 million.

At the year-end, the DNV GL Group had liquidity reserves of NOK 3,978 million and unused credit lines of NOK 1,100 million. The Group has a strong balance sheet with an equity ratio of 58% of total assets, after accrual for dividend to shareholders of 50% of net profit for 2014. As a result of the weakening of the NOK against most currencies in the last quarter of the year, foreign currency gains of NOK 1,707 million relating to net investments in foreign subsidiaries were reflected in the equity in 2014.

Net actuarial losses of NOK 920 million after tax from defined benefit pension plans are reflected in the equity for 2014, of which actuarial loss of NOK 1,228 million from changes in actuarial assumptions and an actuarial gain of NOK 208 million from the actual return on plan assets in excess of the discount rate. The NOK 175 million gain from a change of the defined benefit pension plan in Norway was reflected in the income statement in 2014.

The accounts of the parent company DNV GL Group AS show a loss for the year of NOK 21 million, including NOK 3 million in dividends received from subsidiaries. NOK 176 million has been accrued as a group contribution from DNV GL AS and is reflected as financial income in 2014. The Board proposes to cover the loss from other equity.

The Board confirms that the going concern assumption applies and that the financial statements have been prepared on this assumption. The Board regards DNV GL's financial performance as strong and liquidity as very good. 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 Board also confirms that, to its knowledge, the information presented in the financial statements gives a true and fair view of the assets, liabilities, financial position and result of the DNV GL Group for the period and that there are no material events after the balance sheet date affecting the 2014 financial statements.

STRATEGY

In the autumn of 2013, the Board approved a strategy for 2014 and 2015 that incorporated the main elements from the legacy DNV and legacy GL strategies. During this strategy period the majority of the integration of the legacy companies is to be completed. DNV GL aims to be world leading in all its targeted market segments and offer unique technical expertise and innovations to drive its targeted industries to become safer, more efficient and less damaging to the environment.

In the current strategy period, the shipping industry continues to face challenges in relation to overcapacity resulting in lower freight rates. It also faces stricter environmental regulations. DNV GL's strategic goal is to be the leading ship classification society in all ship segments, and to have the leading position for mobile offshore units in challenging operating environments by offering a broader and better range of services than its competitors.

Harsher and deeper waters and increasingly complex reservoirs mean that offshore oil and gas activities are becoming more and more demanding. DNV GL intends to be one of the world's leading providers of independent technical and risk management services to the upstream oil and gas industry 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 its strive to enable the industry to become 'safer, smarter and greener', DNV GL will offer technical expertise and innovation to pave the way towards a safe and sustainable energy future.

In the power 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 a leading advisor across the entire energy value chain, while maintaining its position as the world's pre-eminent renewables advisory and certification company. It also aims to strengthen its existing position as the world leader in independent high power/high voltage testing, inspection and certification.

“ OF THE TOTAL 5% OF ANNUAL REVENUES INVESTED IN RESEARCH AND INNOVATION, ONE FIFTH IS ALLOCATED TO LONG-TERM STRATEGIC RESEARCH, ONLY NOW FROM A MUCH LARGER REVENUE BASE.

DNV GL is one of the world's three largest management system certification bodies, and aims to take a thought leadership position through the innovative approach of embedding its sustainability concept across all operations. The certification market is expected to continue growing due to the increase in global trade, increased level of outsourcing of in-house Testing, Inspection and Certification services, stringent regulations, new products covering the broad sustainability area and expansion into new industries and geographies, including Africa. The company will continue to focus on double-digit growth in the food & beverage and healthcare sectors, and capitalize its efforts in the automotive and aerospace industries, where it partners with the major players. DNV GL intends to grow its product assurance business and supply chain management through both organic and inorganic growth.

Within the software sector, DNV GL is scaled to strengthen its market position within the oil and gas, maritime, energy and healthcare industries throughout the strategy period. Continued strong revenue growth is targeted, mainly through new sales of software product licenses, annual Service Level Agreements and consultancy services related to software implementation. DNV GL – Software will also continue to be a major supplier of technical software to DNV GL's business areas and a major supplier of tools required for classification services for ships and mobile offshore units.

In 2014, work started on formulating a new strategy for the 2016–2020 period. During 2015, this comprehensive strategy for a fully integrated DNV GL will be finalized for Board approval in time for developing 2016 Annual Plans. The Board is involved in the strategy development process.

INNOVATION

Innovation is a cornerstone of DNV GL's business model and of the differentiation strategy enabling DNV GL to meet its strategic goals and become the leading technical adviser to the global maritime, energy and oil & gas industries. Around 5% of annual revenues are invested in research and innovation activities. The purpose is to deliver the best insight and technical abilities to help solve customer challenges. Innovative solutions and foresight are shared with the industries in which DNV GL is active. The ambition is to become a true innovation leader that helps shape and drive industries forward, making them safer, smarter and greener.

Of the total 5% of annual revenues invested in research and innovation, one fifth is allocated to long-term strategic research, only now from a much larger revenue base. The Strategic Research and Innovation unit has a primary focus on new knowledge and technology areas that have a long-term impact on DNV GL's business development. The purpose is to explore emerging opportunities and identify future technology and risk management trends. Other innovations bring immediate customer benefits. One such example was a new ship performance management service (ECO Insight), which was launched after piloting the service with ten customers on more than 50 vessels. The service is the result of combining legacy DNV and GL technical expertise.

Joint Industry Projects (JIPs) continued to be an important innovation vehicle for DNV GL to drive market-relevant innovation initiatives in close cooperation with industry partners with the purpose of developing new technologies, standards and recommended practices. A total of 36 JIPs were initiated in 2014, mainly supporting the oil and gas industry.

The idea of developing ship concepts was also continued in 2014. These are intended to serve as inspiration for equipment makers, ship yards and ship owners to develop new solutions on the path to a safe and sustainable future. The ship concept *ReVolt* generated much attention in the industry. This is an unmanned, battery-powered, zero-emission short-sea vessel concept based on current available technologies.

The Technology Leadership Programmes aim to ensure that DNV GL stays at the forefront of the industry in selected core disciplines. They covered 10 core technology disciplines in 2014. The purpose is to fund the development of core technical disciplines across business areas, develop technology-focused, cross-business-area communities and support technical career paths. The programmes also utilize DNV GL's collaborations with universities.

Extraordinary Innovation Projects are short and intense projects, where international project teams within the company address bold ideas exploring a specific field of technology or a new concept to be tested in the market. In 2014, three projects were developed: 'Natural Gas Capture' focused on associated gas currently being flared in oil and gas production fields and assessed how these resources could be converted into higher value products for use onsite or transported to market. 'Offshore installations in remote areas' examined the future of offshore operations in remote areas, focusing on natural gas. Finally, 'Power frequency optimization for offshore wind-farms' explored further cost reductions in offshore wind energy transmission.

Another internal innovation project explored the integration of offshore wind power with offshore oil and gas operations, potentially reducing costs and emissions while offering a new niche market for offshore wind technology and creating momentum for both industries. This has now been developed into a Joint Industry Project.



ORGANIZATION

DNV GL is organized in a Group structure with four business areas: Maritime, headquartered in Hamburg, Germany; Oil & Gas, headquartered in Høvik, Norway; Energy, headquartered in Arnhem, the Netherlands; and Business Assurance, headquartered in Milan, Italy. DNV GL Group headquarters is at Høvik, just outside Oslo, Norway.

To streamline operations, a management level was eliminated in two of the business area organizations, Maritime and Business Assurance. In addition to the four business areas, DNV GL's Software unit is organized as an Independent Business Unit (IBU). An additional IBU was established with the acquisition of Marine Cybernetics in 2014.

The new Global Shared Services organization became operational as of 1 January 2014. Organized in nine regional hubs, it provides HR, Finance and IT support services to all business areas and independent business units. The purpose of global shared services is to facilitate common processes and control over quality and costs.

The merging of legacy DNV and legacy GL offices continued according to plan and was 83% complete by the year-end. The total number of offices was reduced by 139. The remaining 28 office mergers will take place in 2015. When the process is complete, DNV GL will have the industry's densest global network with 353 offices in 90 countries.

At the year-end, the total number of employees was 15,712. The largest countries in terms of number of employees are Norway (18%), Germany (13%), the US (12%), the UK (9%) and China (7%). Voluntary employee turnover in 2014 was 7%. There is no indication that employee turnover has increased or that exit reasons have changed significantly as a consequence of the merger and integration process.

A career in DNV GL should not be hindered by nationality, gender or age if the employee has the competence, attitude and values needed for the role. The proportion of female employees remained stable, ending the year at 31%. DNV GL strives for the diversity of the workforce to be reflected at all management levels. The proportion of female managers is now 22%. The Board consists of five women and nine men, while the Group management team (the Executive Committee) consists of two women and nine men.

The continued integration of employees in DNV GL remained a priority in 2014. Employees were brought together through common systems, processes and offices to work towards achieving common business objectives. Good progress was made in terms of implementing common HR processes, including the managing individual performance (MIP) process, the career model, and harmonized compensation and benefits. The MIP process was completed for 87% of employees in 2014. The harmonization of compensation and benefits was one of the largest integration projects in 2014. Harmonization of the compensation and benefit framework is a vital part of the integration process. The objective of a common framework is to remove barriers for employees to take on new career opportunities within the Group, increase transparency and simplicity, reduce the future administrative burden of handling different compensation and benefits systems and enable a common culture and the merging of legal entities in the Group.

“ DNV GL STRIVES FOR THE DIVERSITY OF THE WORKFORCE TO BE REFLECTED AT ALL MANAGEMENT LEVELS. THE PROPORTION OF FEMALE MANAGERS IS NOW 22%.”

A number of exchange programmes were conducted to facilitate competence development and knowledge sharing in the organization. These included both two-year-long and short-term exchanges between Hamburg and Høvik for Maritime technical employees and the 'Knowledge Booster' programme to stimulate knowledge development and sharing across units and geographies. The integration of employees was also supported through common introduction training for new employees and common leadership training for managers; 448 managers participated in one of the four leadership programmes (the Journey), almost twice the number in 2013.

DNV GL continues to use the People Engagement Process to measure employee engagement and enablement and identify aspects of the working environment that should be addressed by management at all levels. In 2014, the People Engagement Process was implemented for all employees in DNV GL. The annual survey was conducted in September, and 92.3% of employees gave their opinions on working in DNV GL. Approximately 1,900 reports were distributed to individual units and management teams as a tool for identifying issues in the working environment that should be addressed.

Compared to survey company Hay Group's reference group of high-performing companies, DNV GL's overall results are above average. The topics scoring most above other high performing companies relate to development opportunities in the company. The two individual questions with the most favourable responses were: 'DNV GL's Purpose, Vision and Values are important to me' (93% favourable); and the merger-related question, 'I am committed to working towards the future success of the DNV GL Group' (91% favourable).

Improvement areas include ensuring that employees understand the relationship between their individual goals, unit goals and the overall DNV GL strategy, and that they receive regular feedback from their managers. To address this, there will be a Group-wide HR Key Performance Indicator (KPI) in 2015 on improving KPI management aspects by 3%. There will also be continued efforts to ensure that all those working for DNV GL have a clear line-of-sight between their personal goals and the Group strategy. In addition, local managers are requested to take action on local issues highlighted in the local survey results.

The Chief Executive Officer of DNV GL Group will retire in the second half of 2015. The Board of Directors has initiated a broad process to identify and recruit his successor in which both internal and external candidates are included.

CORPORATE GOVERNANCE

The Board has decided to issue a separate annual corporate governance report based on the principles that apply to listed public limited companies in Norway. The 2014 report on DNV GL's corporate governance can be found on dnvgl.com.

“ AS PART OF THE AMBITION TO CONTINUOUSLY IMPROVE DNV GL'S PERFORMANCE, SEVERAL PROJECTS WERE LAUNCHED TO FOSTER A CULTURE OF TRANSPARENCY, ETHICS AND SUSTAINABILITY.”

CORPORATE SUSTAINABILITY

For DNV GL, sustainability is about delivering long-term value in financial, social, environmental and ethical terms and is deeply embedded in the company's purpose, values, vision and culture. DNV GL's commitment goes beyond compliance, and is about how the company contributes, through its research, services and operations, to achieving its vision of a safe and sustainable future.

DNV GL has been a signatory to the United Nations Global Compact since 2003, and remains committed to integrate the ten principles in the areas of human rights, labour standards, environmental performance and anti-corruption into its business strategy, culture, management system and day-to-day operations. The Board emphasizes the importance of good performance within these areas in order to fulfil the company's vision and purpose, build trust and ensure long-term viability and profitability.

In 2014, the company launched several ambitious projects to clarify its position in the sustainability domain. Recognizing the tremendous challenges facing humanity in the decades to come, DNV GL wanted to better understand the role the organization can play in overcoming challenges and shaping a more sustainable future. Six strategic research projects explored topics that are considered important for the future, and where DNV GL can leverage its history and competence to catalyse the transition. As part of this, DNV GL continued to engage with a wide network of leading international experts, seeking to enable new thinking about solutions and thereby drive the agenda forward.

The company launched a partnership with the Monday Morning Global Institute and the UN Global Compact Office to produce the world's first Global Opportunity Report, focusing on identifying the opportunities involved in the transition towards a safer and more sustainable future.

Throughout 2014, it was a priority to deepen the integration of sustainability into businesses and operations. As part of the ambition to continuously improve DNV GL's performance, several projects were launched to foster a culture of transparency, ethics and sustainability. In particular, this included developing new training for employees and assessing impact on the company's value chain. The issues were selected based on an extensive materiality assessment conducted with internal and external stakeholders in 2012/2013.

In 2014, DNV GL appointed a new Corporate Sustainability Board comprising two representatives from each of the four business areas, of whom one is from the Executive Leadership Team, in addition to representatives of important Group functions. The Corporate Sustainability Board is tasked with overseeing the company's performance in this area and provides advice to the Group Executive Committee on related risks and opportunities. The Board maintains the overall responsibility for the company's sustainability performance.

DNV GL reports in accordance with the Global Reporting Initiative (GRI) Framework. To improve its reporting practices, DNV GL has decided to follow the GRI 'Comprehensive' level for the current report and to have the information verified by a third party.

BUSINESS ETHICS AND ANTI-CORRUPTION

DNV GL does not tolerate corruption or bribery. This principle is clearly outlined in DNV GL's Code of Conduct that was adopted in 2013. The main objective of the Code of Conduct is to ensure that DNV GL and its employees carry out all activities in compliance with all the applicable laws and international standards that the international community recognizes and expects from us as a major multi-national organization. All companies and employees in the DNV GL Group must follow this code of conduct.

Based on this approach, the company established a new compliance programme with three focus areas: prevention, detec-

tion and reaction related to business ethics and anti-corruption. Governing documents, including instructions on anti-corruption and how to handle gifts, were published and communicated throughout the organization. In addition, two e-learning modules on the code of conduct and anti-corruption/anti-trust were launched for all new employees.

The Country Chairs in DNV GL have been actively involved in distributing the information and implementing the new measures against corruption and bribery. The instructions on the reporting of misconduct define the reporting lines for allegations of misconduct through the line management, Ombudsmen or Group Compliance Officer.

In 2014, the Group Compliance Officer reported new developments and case statistics to the Board's Audit Committee on a regular basis. More detailed reporting is published on dnvgl.com.

HEALTH, SAFETY AND THE ENVIRONMENT (HSE)

The full implementation of the Group-wide HSE Management System was confirmed by passing the re-certification process and receiving a combined certificate according to the BS OHSAS 18001 and ISO 14001 standards. The HSE management system reduces and prevents work-related accidents and injuries and focuses on environmental management and ongoing improvement.

Maintaining the HSE certification is a strategic priority for building a safer, more environmentally assured company. Operating in a safer, smarter and greener manner will contribute to DNV GL being seen as a leader, not only in advising our customers

“ GROUP HSE PERFORMANCE MEASUREMENT PROCESSES AND INDICATORS ARE NOW ALIGNED ACROSS THE ORGANIZATION AND A COMMON GROUP-WIDE HSE REPORTING PROCEDURE HAS BEEN ESTABLISHED.”



on HSE risk management, but also in applying these practices ourselves. The scope of the HSE certification covers all legacy DNV, GL and KEMA locations (excluding Business Assurance).

Group HSE performance measurement processes and indicators are now aligned across the organization and a common Group-wide HSE reporting procedure has been established.

A global initiative was decided upon in 2014 to strengthen the safety culture across the organization and to ensure that all employees take responsibility for their own and others' safety and health as part of their daily work. The programme will be executed and implemented during 2015 and sustained further into the next strategy period.

During 2014, the SynergiLife tool and mobile App for reporting, analysing and following up hazards and incidents were further rolled out and promoted with extensive training and support to HSE professionals and line managers globally. The future plan is to move towards one common software tool for risk and HSEQ management across the organization.

Crisis management procedures have been improved and real time testing has taken place to better ensure that executive managers in the business areas and at group level are able to handle serious incidents in a synchronized manner and without undue delay.

The sickness absence rate remained stable at around 2% in 2014. The lost time accident frequency (LTAF) per million worked hours decreased by 30% compared to 2013 - from 2.0 in 2013 to 1.4 in 2014. During the year, 716 absence days due to accidents were reported. The most common types of lost time injuries were fractured bones, sprains and strains (38%), and bruises, contusions, and cuts (34%).

The number of occupational health issues resulting in absence was 1.0 per million hours worked in 2014, which is the same as in 2013. There were 384 absence days due to occupational health issues. The number of days lost due to occupational health issues per million hours worked increased to 13.5 in 2014, up from 9.5 in 2013. The majority of the absence hours due to occupational health issues were related to office work (51%), to surveys and inspections (21%) and to travelling (17%).

Of the absence hours due to occupational health issues, 66% were related to physical working environment conditions and 34% to psychosocial working environment conditions.

CORPORATE RISK MANAGEMENT

The Board acknowledges that the world has become a more complex risk universe and underlines 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.

“ THE DEMAND FOR SUSTAINABLE BUSINESS, GLOBAL BEST PRACTICES AND STANDARDS AND BUSINESS INNOVATION WILL CONTINUE TO INCREASE, AND DNV GL IS WELL POSITIONED TO BE IN THE FOREFRONT TO DEVELOP AND TAKE ON ROLES AND POSITIONS IN THESE AREAS. ”

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 company does. The policy is aligned with the ISO 31000 framework.

The Board formally reviews the risk management status and outlook twice a year. The review of risks and opportunities is conducted both as part of the strategic plan process in a long-term strategic point of view and as part of the annual plan process for the year ahead.

DNV GL calculates its risk capacity on an annual basis, taking into account the most important risk factors. Based on value-at-risk methodology, the analysis includes potential losses from normal operations, foreign exchange exposure, financial investments and pension plans assets and liabilities.

Given a certain minimum equity ratio requirement, the risk capacity analysis indicates the company's financial strength and gearing capacity. This exercise gives the Board a measurable overview of the key quantified risks and DNV GL's capacity to take on additional risk.

In 2014, 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. The extent of defined benefit pension schemes has been limited in order to reduce the exposure to falling interest rates.

A second focus area was the integration process between DNV and GL. This affected all levels of the organization and was monitored closely throughout the year. This work is ongoing and a special integration project is coordinating and supervising the process.

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

DNV GL's main financial risks are market risk (interest rate and foreign currency risk), credit risk and liquidity risk.

Interest rate risk: as the company has limited external borrowings the exposure to interest rate risk is primarily related to its defined benefit pension commitments. Lower interest rates over the past few years have led to an increase in the pension commitments. The company's policy is to limit the number of new entrants to defined benefit pension schemes. In addition, there is limited exposure to the risk of changes in market interest rates related to DNV GL's forward exchange contracts.

Foreign currency risk: DNV GL has revenues and expenses in approximately 70 currencies. Of these, six currencies (NOK, EUR, USD, CNY, KRW and GBP) make up approximately 75% of the total revenue. In many currencies, the company has a natural hedge through a balance of revenue and expenses. The policy 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.

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

Liquidity risk: DNV GL 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.

OUTLOOK

DNV GL has a leading position in all its industry segments: maritime, oil and gas, business assurance and energy.

The financial situation in the world improved in 2014, but the growth has been at a slower pace than in 2013. The volume of international trade also grew at a slower pace in 2014, but the significant drop in the oil price and hence fuel costs towards the end of the year may reverse this development in 2015. The world is consuming more energy, and globalization is continuing, but the geopolitical situation has become tenser. Hence, we see a higher level of uncertainty regarding potential signs of national or regional protection measures being introduced.

Against this backdrop, the Board believes that the challenging market situation for shipping will continue during the period ahead. The overcapacity situation has created a surplus of ships to be delivered, and fleet growth continues to be in excess of trade growth. The capacity/demand balance is not expected to be fully re-established until the end of 2016, 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. Lower fuel prices due to the drop in oil price may improve the operating cost situation for most trades, but may in itself not be sufficient to spur a new ordering boom. Classification societies must adapt to this challenging market situation, but the Board regards the aggressive price competition by certain competing classification societies as unsustainable and potentially undermining the value of classification.

The oil and gas sector is heavily influenced by the drop in oil prices towards the end of 2014, and oil prices may fluctuate around current levels for some time. Hence, the trend towards increased production from deep and ultra-deep offshore fields may slow down in the growing markets. New discoveries on the Norwegian continental shelf may continue to be assessed in light of the high cost level and depressed cash flow, and the entire oil service industry could be affected by the reduced investment activity.

However, the need for energy should keep increasing, and fossil fuels - oil, gas and coal - are likely to persist as the main source of energy even though renewable energy will grow faster.

Within the energy sector the company focuses on renewable energy, electricity transmission & distribution and sustainable energy use. The investments in the renewable energy sectors may be influenced by the reduced cost of fossil fuel, new trade agreements, political decisions, and subsidies. However, the Board believes that this sector together with power transmission and distribution and sustainable energy use will continue to create many opportunities for DNV GL in the coming years. The company has a strong position within the Testing, Inspection and Certification industry and has an extended service and competence platform.

The demand for sustainable business, global best practices and standards and business innovation will continue to increase, and DNV GL is well positioned to be in the forefront to develop and take on roles and positions in these areas.

The Board of Directors believes that DNV GL's performance in 2014 demonstrates that the company has maintained the global positions, broad competence and resource base that are required to provide guidance and support in a business environment where the need for technical expertise, trust, governance and risk management is clearly evident.

THE BOARD OF DIRECTORS OF DNV GL GROUP AS, HØVIK, 30 APRIL 2015

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



LEIF-ARNE LANGØY [^]
CHAIRMAN
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 Kværner ASA, Sparebanken Møre, Binleru AS, Inpower AS, Molde Fotball AS, Lag Invest AS, Næringsinvest Møre og Romsdal AS, Nmk Holding AS, Nmk Eiendom AS, Ålesund Sentrumsbygg AS, Norsk Maritimt Kompetansesenter AS, Borgundveien 340 AS. Vice Chairman of The Resource Group Trg AS and of Trg Holding AS. Member of the Board of Farstad Shipping ASA, Istad AS, Fsv Group AS, Fsv Shipping AS, A-Lifting AS, Novela AS, Moldekraft, Noro Fotball AS. Deputy Board Member of Aker Stadion and Molde Fotball.

“ THE COMPANY HAS WITHIN ITS FIRST FULL YEAR OF OPERATIONS COME VERY FAR IN COMPLETING THE MERGER INTEGRATION AND HAS DELIVERED STRONG FINANCIAL RESULTS AT THE SAME TIME.

REBEKKA GLASSER HERLOFSEN
Norwegian **BORN:** 1970 **POSITION:** Group CFO in the Torvald Klavness Group **EDUCATION:** Norwegian School of Economics and Business Administration (MSc) **MEMBER OF THE DNV GL BOARD:** since June 2013 **DIRECTORSHIP(S) OUTSIDE DNV GL:** Member of the Board of Statoil ASA, various Klavness Group companies (15)



HEINRICH FRANKEMÖLLE
German **BORN:** 1957 **POSITION:** Director at McKinsey & Company Inc. since 1986 **EDUCATION:** Diploma degree in Agricultural Sciences and Economics, Doctorate in Risk Management at University of Bonn **MEMBER OF THE DNV GL BOARD:** Since February 2014 **DIRECTORSHIP(S) OUTSIDE DNV GL:** None



CHRISTELLE G. V. MARTIN
French **BORN:** 1960 **POSITION:** General Secretary and member of the Executive Committee of GDF SUEZ Energy Europe **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:** GDF SUEZ Energies Services since June 2011, Fondation Paris Dauphine since 2009



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:** Chairman of the Island Offshore Group of companies and various directorships in private as well as publicly listed companies



J. HINRICH STAHL
VICE CHAIRMAN
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, Vice Chairman since February 2015 **DIRECTORSHIP(S) OUTSIDE DNV GL:** Vice Chairman of Vapiano SE



JOHANNES LAFRENTZ
German **BORN:** 1971 **POSITION:** Managing 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 Group of companies



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:** Member of the Board of Nordea Bank Norge ASA



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:** President European Community Shipowners Association, Member of the Council of German Shipowners Association



DAVID MCKAY
British **BORN:** 1963 **POSITION:** Chief Surveyor Offshore North America, based in Houston, Texas, DNV GL **JOINED DNV GL:** 1990 **EDUCATION:** B.Sc. Naval Architecture, University of Strathclyde, 1985 **MEMBER OF THE DNV GL BOARD:** Permanent deputy since January 2014, elected by the employees worldwide, excluding Norway, Germany and Europe. Elected deputy member since 2002 and has previously served on the Board in 2006-2007 and 2010-2011 **DIRECTORSHIP(S) OUTSIDE DNV GL:** None



SILLE GRJOTHEIM
Norwegian **BORN:** 1970 **POSITION:** Head of section Rules and Standards Publishing House (Norway & Germany), DNV GL **EDUCATION:** M.Sc. - metallurgical/corrosion engineer **MEMBER OF THE DNV GL BOARD:** Since 2007, elected by the Norwegian employees **DIRECTORSHIP(S) OUTSIDE DNV GL:** None



CLEMENS KEUER
German **BORN:** 1959 **POSITION:** Chairman of Group Works Council DNV GL SE, Germany **EDUCATION:** Diplom-Informatiker **MEMBER OF THE DNV GL BOARD:** Since 2013, elected by the employees in Germany **DIRECTORSHIP(S) OUTSIDE DNV GL:** None

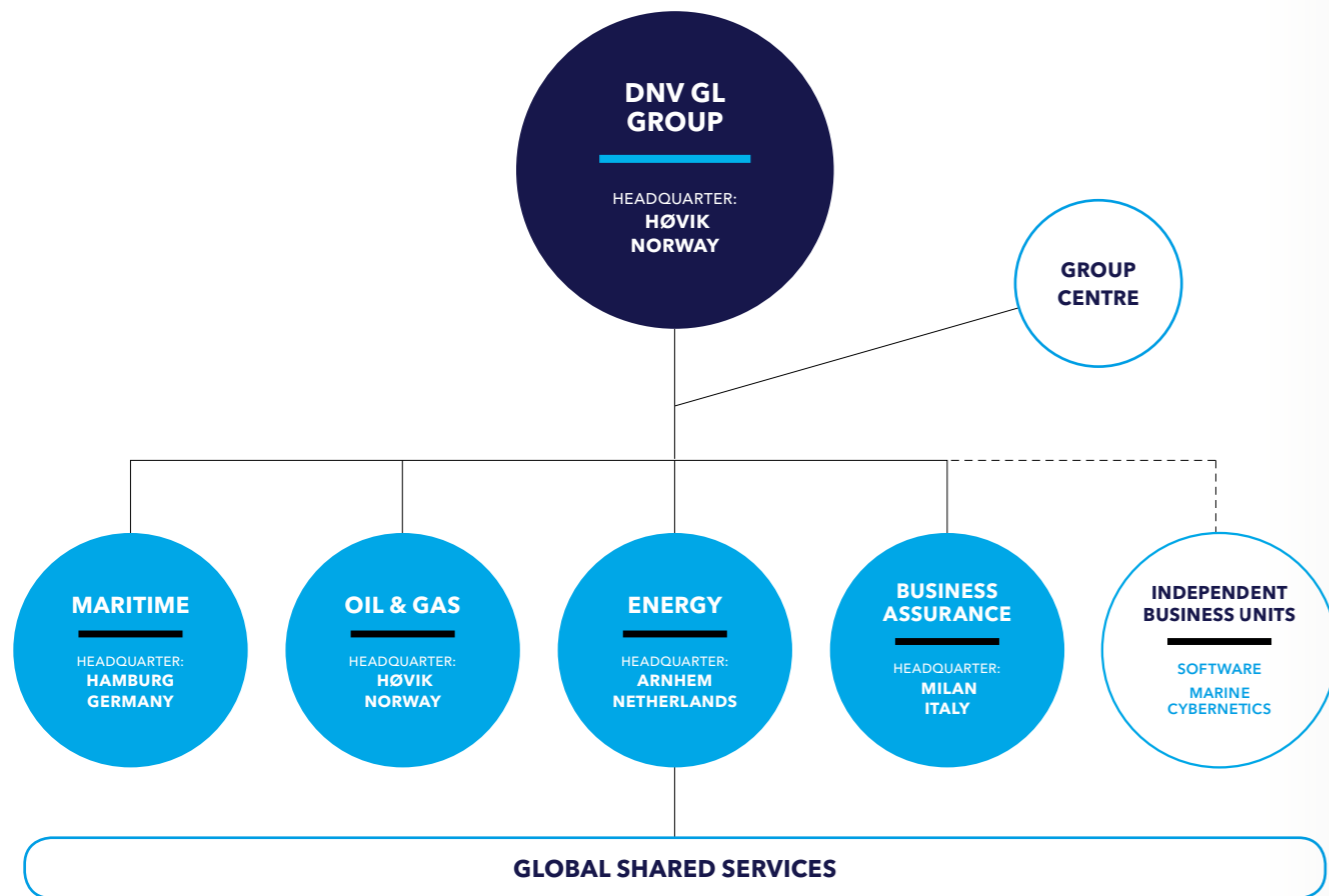


METTE BANDHOLTZ NIELSEN
Danish **BORN:** 1963 **POSITION:** Senior Support Specialist Oil & Gas (Denmark), DNV GL **EDUCATION:** Bachelor, technical and legal English **MEMBER OF THE DNV GL BOARD:** Since 2011, elected by the European employees outside Norway **DIRECTORSHIP(S) OUTSIDE DNV GL:** None



ODD E. SUND
Norwegian **BORN:** 1957 **POSITION:** Principal engineer (Norway), DNV GL **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:** None





OWNERSHIP

Det Norske Veritas Holding AS, a fully owned subsidiary of Stiftelsen Det Norske Veritas, owns 63.5% of the DNV GL Group. 36.5% is owned by Mayfair Beteiligungsfunds II GmbH & Co KG. See more details about the ownership structure in the Corporate Governance report on dnvgl.com.

GROUP STRUCTURE

DNV GL is structured into four business areas:

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

We have two Independent Business Units serving more than one industry:

- » DNV GL - Software
- » Marine Cybernetics

Serving the entire organization:

- » Group Centre
- » Global Shared Services

MANAGEMENT

The Executive Committee, which is the Group President & CEO's management team, consists of 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

1 THORMOD FJELL

Global Shared Services Officer
Norwegian
Joined DNV GL in 1991

2 DAVID WALKER

CEO of Energy
British
Joined DNV GL in 2007

3 LUCA CRISCIOTTI

CEO of Business Assurance
Italian
Joined DNV GL in 2001

4 REMI ERIKSEN

Group Executive Vice President & Chief Operating Officer
Norwegian
Joined DNV GL in 1993

5 CECILIE B. HEUCH

Group Chief HR Officer
Norwegian
Joined DNV GL in 2004

6 THOMAS VOGTH-ERIKSEN

Group Chief Financial Officer
Norwegian
Joined DNV GL in 1988

7 KNUT ØRBECK-NILSSEN

Chief Operating Officer of Maritime
Norwegian
Joined DNV GL in 1990

8 HENRIK O. MADSEN

President & Group CEO
Danish
Joined DNV GL in 1982

9 ELISABETH TØRSTAD

CEO of Oil & Gas
Norwegian
Joined DNV GL in 1995

10 LUTZ WITTENBERG

Group Chief Technology Officer
German
Joined DNV GL in 1979

11 TOR E. SVENSEN

CEO of Maritime
Norwegian
Joined DNV GL in 1993

In the order from left to right

YEAR ONE

FIRST YEAR AS DNV GL

The official merger of DNV and GL in September 2013 represented the first consolidation of its kind. Never before had two classification societies merged. 2014 marked our first full year of operation, in which we came together as one company with an ambition to help businesses and society globally become safer, smarter and greener.

IMPLEMENTING THE NEW BRAND

The DNV GL brand was created to be differentiating and aspirational while consolidating many legacy brands into one strong brand with long legacy and credibility. The new brand was implemented across thousands of operations, surfaces and activities during 2014. The 'Year One - 150 Years' events provided an excellent platform to introduce the new visual profile and brand story to our key relations.

The colours of our new logo represent our working context: sea, land and sky. Through this, we also depict our purpose of safeguarding life, property and the environment. The extended lines represent an expansive, expert approach to business where we seek the broader view, the horizon of the issue, and innovative solutions beyond the traditional boundaries.

DNV·GL

150 YEARS

SAFEGUARDING LIFE, PROPERTY AND THE ENVIRONMENT SINCE 1864

DNV was established in Norway in 1864, just three years before the establishment of GL in Germany in 1867. We used the 150th anniversary as a stepping stone to look at future societal and industrial challenges. We provided insights and pathways to address these challenges and show how the extended capabilities of our newly merged company will make us relevant for the next 150 years.

'BUILDING TRUST' - AN UNUSUAL HISTORY BOOK

'Building Trust: the History of DNV 1864-2014' describes how we developed from a minor Norwegian classification society into the world's largest enterprise of its kind with the formation of DNV GL in 2013.

It also discusses trust and trust-building mechanisms as preconditions and essential infrastructure for an increasingly globalized society. The history book contributes to an academic understanding of how



these mechanisms have emerged, how they have evolved over time, what they have embraced, what authority they have operated with, and what forms of knowledge and relationships have been required for this.

The book is a result of a four-year research project in the department of historical studies at the Norwegian University of Science and Technology (NTNU), which also resulted in ten masters' theses and two doctorates.

YEAR ONE

UNDER THE THEME 'YEAR ONE - 150 YEARS', WE MARKED OUR 150 YEARS OF PROUD PAST AND OUR FIRST YEAR AS A NEW COMPANY.

HØVIK ARENA: A purpose-built venue built on a floating barge moored outside the headquarters at Høvik: this hosted several events, including the main anniversary event on 14 June.

HØVIK ARENA HOSTED A NUMBER OF EVENTS

6,000	1,000	1,200
EMPLOYEES AND THEIR SPOUSES AND PARTNERS FROM NORWAY AND HAMBURG	VIP GUESTS FROM ALL OVER THE WORLD AT THE MAIN EVENT ON JUNE 14	PENSIONERS, NEIGHBOURS AND SUSTAINIA100 DELEGATES



Prime Minister of Norway Erna Solberg on stage and the audience at Høvik Arena on 14 June.



Henrik O. Madsen on stage at Høvik Arena on 14 June.

WE HOSTED FORWARD-LOOKING 'YEAR ONE - 150 YEARS' EVENTS AROUND THE WORLD, ENGAGING KEY CUSTOMERS, EXTERNAL RELATIONS AND EMPLOYEES IN OUR VISION TO ACHIEVE A SAFE AND SUSTAINABLE FUTURE.

WORLDWIDE EVENTS

27 February	Singapore
28 February	Singapore
29 April	Bergen
10 June	Stavanger
14 June	Oslo
24 June	Hamburg
21 August	Rio de Janeiro
04 September	Gdynia
09 September	Trondheim
13 September	London
23 September	Copenhagen
25 September	Athens
02 October	Amsterdam
10 October	Rome
13 October	Houston
22 October	Tokyo
24 October	Seoul
27 October	Shanghai
29 October	Hong Kong
18 November	Mumbai
20 November	Dubai

12,000 EMPLOYEES

8,000 KEY CUSTOMERS

IN SOME LOCATIONS, WE COMBINED OFFICE INAUGURATIONS AND 'YEAR ONE - 150 YEARS' EVENTS



Our new **Singapore** office was officially opened on 28 February by Mr S. Iswaran, Minister in the Prime Minister's Office, Second Minister for Home Affairs and Second Minister for Trade & Industry Singapore.



On 1 March, our new **Singapore laboratory** was officially opened by Norway's Foreign Minister H.E. Børge Brende (right), DNV GL Group Executive Vice President Remi Eriksen (left) and Yuan Wen Guo, Head of Testing, Inspection & Certification (TIC) for Oil & Gas SEA (middle).



In **Kuala Lumpur, Malaysia**, we also combined 150th anniversary celebrations with the official opening of a new office. We held presentations and panel discussions with key industry players on the technologies that are transforming Malaysia's energy landscape.



HRH Crown Prince Haakon of Norway opened our new office in **Ho Chi Minh City** in Vietnam. He is flanked by the Norwegian Minister of Trade and Fisheries, Ms Monica Mæland and CEO & President of DNV GL, Henrik O. Madsen.

SIX PROJECTS EXPLORING THE FUTURE



Now that we are approaching 9 billion people on the planet, what can organizations like DNV GL do to contribute to a safe and sustainable future?

To examine this and other questions, we launched six ambitious projects in 2014, exploring themes we believe are critical for the future:

01 A SAFE AND SUSTAINABLE FUTURE

Here we defined what we mean by a safe and sustainable future, the barriers to change and the concrete actions needed to seize opportunities for safer, smarter and greener growth.

02 FROM TECHNOLOGY TO TRANSFORMATION

We investigated how we can accelerate the deployment and commercialization of sustainable technologies while ensuring that they are introduced safely in society.

03 THE FUTURE OF SHIPPING

Analysing six technology pathways to achieve three ambitions for 2050: reduce shipping's fatality rates by 90%, reduce fleet-wide CO₂ emissions by 60%, all without increasing costs.

04 ELECTRIFYING THE FUTURE

Floating offshore wind and smart grid technologies were examined to see what contributions they can make to providing low-carbon power to future generations.

05 ARCTIC: THE NEXT FRONTIER

We examined the complex Arctic risk picture and explored its implications for shipping, oil and gas and oil spill response.

06 ADAPTATION TO A CHANGING CLIMATE

Presenting tools to help businesses and communities share best practices, make sound investments and manage community resilience in order to adapt to the risks associated with a changing climate.

The challenges and opportunities described in these reports were presented at 'Year One - 150 Years' events throughout the year. Customers, industry organizations, public authorities, opinion formers, journalists, universities and research institutes were engaged via panel debates, talk shows and stands. Read more and download the reports: dnvgl.com/technology-innovation/broader-view/

A BOOK OF VISIONS 17,000

PHYSICAL COPIES OF THE COFFEE TABLE BOOK 'NEXT' WERE DISTRIBUTED TO AUDIENCES ALL OVER THE WORLD.



150 YEARS

1864

Det Norske Veritas (DNV) is established in Hamburg by a group of 600 shipowners, 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 1870s, and most of the sail ships are phased out by the 1920s.



August Behn signed GL's statutes in 1867.

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.

1883-88

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

1888: First DNV surveyor stationed in China.

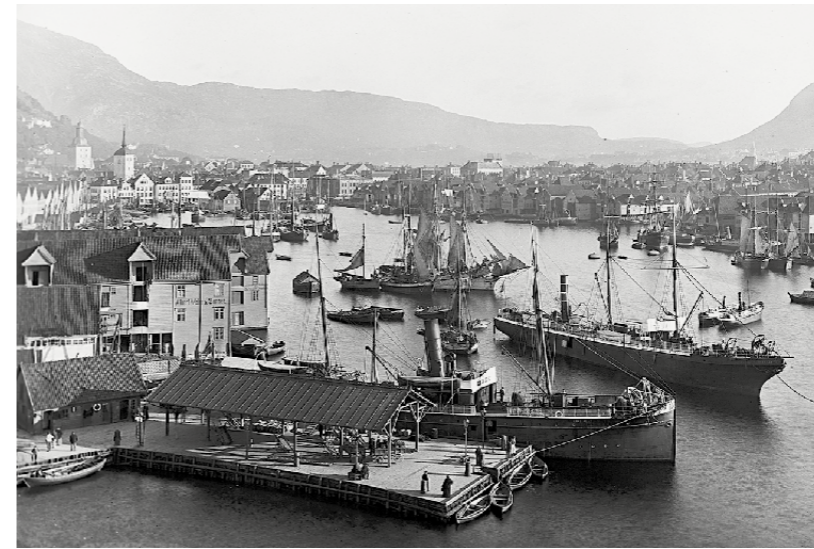
1893: GL adds its first motorised ship, the gaff schooner Frieda, to the registry.

1900-12

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

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

1912: Following the Titanic disaster, safety at sea becomes the subject of increasing public concern.



1914

The first International Convention for the Safety of Life at Sea (SOLAS) is adopted.

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

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.

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

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 the Second World War.

1938

As the Netherlands' electricity infrastructure continues to develop, KEMA grows with it. In the 1930s, a 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 in occupied Norway. This leads to close cooperation with Lloyds Register that lasts until 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 Organization (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.



Georg F. Vedeler.

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.



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.



1967-68

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

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



1969

KEMA starts to build 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.

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.

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.



2004

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) – a specialist 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.

Gas consultancy Advantica is also acquired by GL.

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

GL acquires Noble Denton. 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 positions within solar, wind, power transmission and grid integration.

DNV opens the 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 GL with Noble Denton, an independent oil and gas technical advisor.

2011

DNV submits a report containing the 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 and GL announce the merger agreement.



Leif-Arne Langøy and Hinrich Stahl after signing the merger agreement.

2013

On 12 September, the DNV and GL merger is official. The first-ever merger of two global classification societies. Stiftelsen Det Norske Veritas becomes the majority shareholder with 63.5%, while Mayfair Vermögensverwaltungs SE holds the remaining 36.5%.

2014

The company marks its 150th anniversary and first year as DNV GL. It is established as a leading global technical assurance and advisory company within the maritime, oil and gas and power sectors and a world-leading certification body.



WHAT WE DO

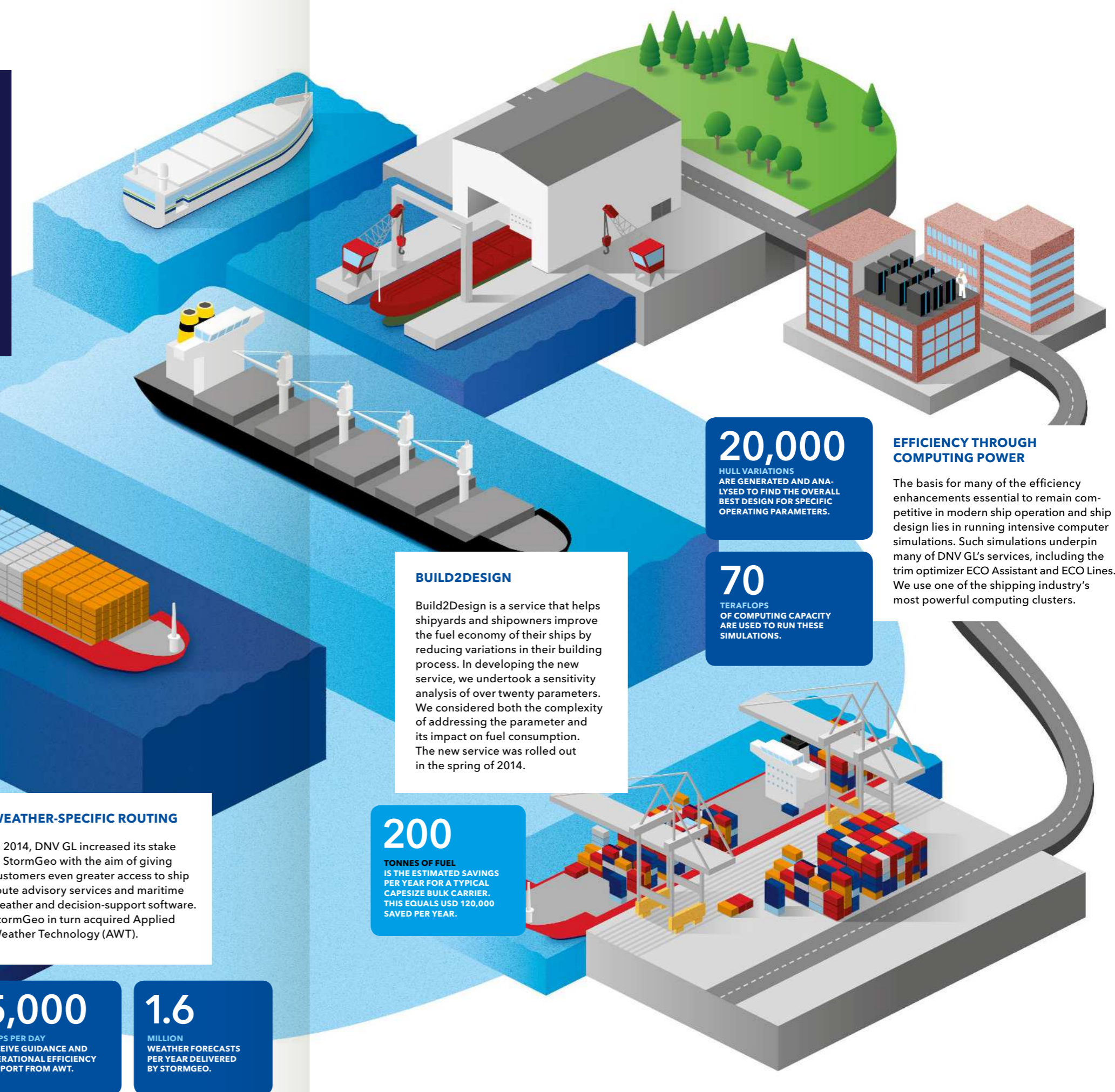
We enable our customers to turn risks into rewards by helping them to identify, assess and manage their most critical risks. That includes assisting customers in balancing a wide range of technical, operational, business and societal aspects to optimize performance.

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.



TAILOR-MADE SOLUTIONS FOR EFFICIENT SHIPS

The best suits don't come off the rack and neither do the best ships anymore. Today's ships are being tailored, both during design and operation, to maximise their efficiency for their individual routes.



400

VESSELS HAD COMPLETED RSCS APPROVALS BY DNV GL AT THE END OF 2014.

ROUTE SPECIFIC CONTAINER STOWAGE

DNV GL's new Route Specific Container Stowage (RSCS) notation is already helping boxship operators boost efficiency by giving them enhanced flexibility in the loading and stowage of containers. The new class notation for route specific container stowage is based on the use of long-term statistical data on the wave conditions of many different shipping routes.

200

VESSELS WERE READY TO SIGN UP FOR THE NEW CLASS NOTATION.

WEATHER-SPECIFIC ROUTING

In 2014, DNV GL increased its stake in StormGeo with the aim of giving customers even greater access to ship route advisory services and maritime weather and decision-support software. StormGeo in turn acquired Applied Weather Technology (AWT).

5,000

SHIPS PER DAY RECEIVE GUIDANCE AND OPERATIONAL EFFICIENCY SUPPORT FROM AWT.

1.6

MILLION WEATHER FORECASTS PER YEAR DELIVERED BY STORMGEO.

BUILD2DESIGN

Build2Design is a service that helps shipyards and shipowners improve the fuel economy of their ships by reducing variations in their building process. In developing the new service, we undertook a sensitivity analysis of over twenty parameters. We considered both the complexity of addressing the parameter and its impact on fuel consumption. The new service was rolled out in the spring of 2014.

200

TONNES OF FUEL IS THE ESTIMATED SAVINGS PER YEAR FOR A TYPICAL CAPESIZE BULK CARRIER. THIS EQUALS USD 120,000 SAVED PER YEAR.

20,000

HULL VARIATIONS ARE GENERATED AND ANALYSED TO FIND THE OVERALL BEST DESIGN FOR SPECIFIC OPERATING PARAMETERS.

EFFICIENCY THROUGH COMPUTING POWER

The basis for many of the efficiency enhancements essential to remain competitive in modern ship operation and ship design lies in running intensive computer simulations. Such simulations underpin many of DNV GL's services, including the trim optimizer ECO Assistant and ECO Lines. We use one of the shipping industry's most powerful computing clusters.

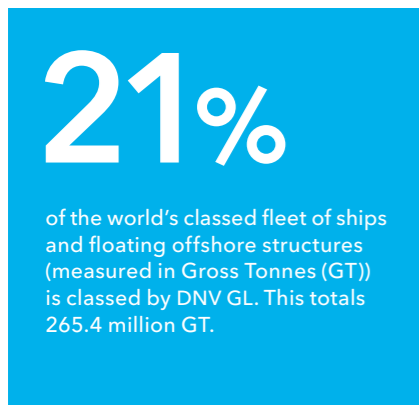
70

TERAFLOPS OF COMPUTING CAPACITY ARE USED TO RUN THESE SIMULATIONS.

With 90% of world trade travelling by sea, shipping is the global economy's lifeline. Nonetheless, pressure remains on the industry to improve its safety record, operational efficiency and environmental footprint.

We enable our customers and the global shipping industry to enhance safety, optimize performance and ensure compliance with regulations and our own class rules. As a leading global classification society, we are committed to drive the industry forward by helping to tackle the challenges of today and find safer, smarter and greener solutions for tomorrow.

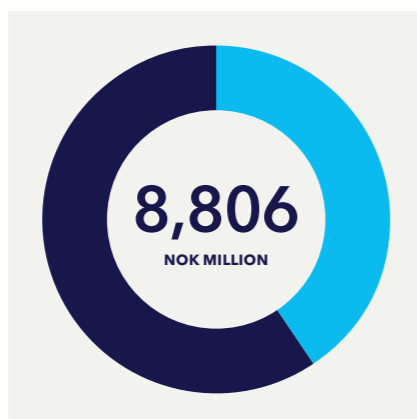
CREATING A NEW STANDARD FOR SHIPS AND OFFSHORE STRUCTURES. Throughout 2014, our most important project was the development of the new DNV GL classification rule set. This will replace the legacy class rules of DNV and GL. Classification rules are the signature of a classification society and form the foundation of our maritime organization. Our goal is to have a new set of standards that not only represents the best of what both organizations have developed over our long histories.



The goal is also to have the most advanced class rules yet created by any classification society. In line with our strategic goals, the new rule set is based upon modern risk-based principles that will enable innovation and efficiency, while improving the safety of the maritime and offshore industries.

During the first half of 2015, the proposed DNV GL rule set will be shared with industry stakeholders. Input will also be gathered from technical working groups, training sessions and industry cooperation on newbuilding projects. The rules will be published in July 2015, ready to enter into force in January 2016.

➔ REVENUE: MARITIME'S SHARE OF TOTAL



➔ EMPLOYEES: MARITIME'S SHARE OF TOTAL



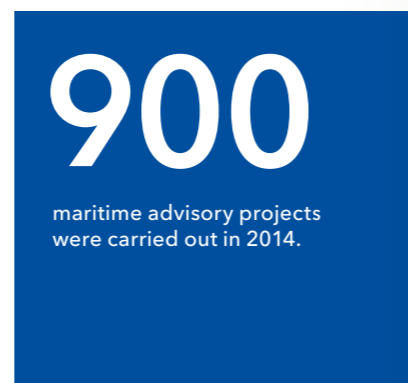
NEW GAS READY NOTATION. Facilitating the introduction of cleaner fuel alternatives for shipping has long been a key focus area for DNV GL and Liquefied Natural Gas (LNG) is one of the most promising alternatives to heavy fuel oil. While still in its infancy, 2015 saw a sharp increase in LNG-fuelled ships. We further contributed to this development by introducing a new GAS READY notation. This puts a vessel on the right track to LNG use, speeding up and simplifying a later conversion to LNG. The basic notation verifies that the vessel complies with the gas fuelled rules in terms of its overall design for future LNG fuel operations and that the main engine can be converted to or operates on gas fuel.

The owner can also choose to add extra levels under the notation. These include structural reinforcements and the choice of correct materials to support future LNG tanks, preparations for future gas fuel systems, the certification and installation of LNG fuel tanks and the installation of gas-fuel-capable or convertible machinery.

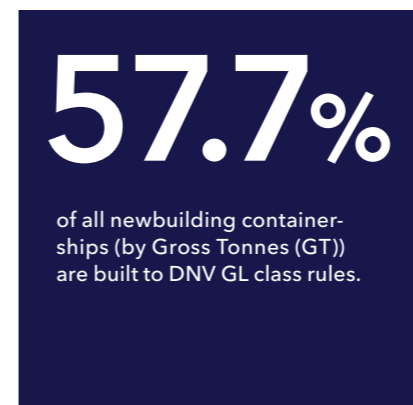
DEEPENING OUR SERVICE NETWORK. To meet our customers' needs for fast service and response, we have put our technical competence within easy reach of every customer. The merger has given us a deeper pool of expertise to draw on than ever before and a denser global network of offices, ensuring that we are close to wherever our customers are doing business. Overall, we have survey stations in more than 80 countries and 365 Maritime offices worldwide. Approval centres are located in Oslo, Hamburg, Pusan and Shanghai, with additional Fleet in Service centres in Houston, Piraeus and Singapore.

Developed in 2014, the DATE (Direct Access to Technical Experts) programme is the most concrete expression of our global service outreach. DATE means that customers can access a broad service base locally, while knowing that they enjoy a global support system that delivers quality wherever they are and within a 24-hour response time. In 2014, Oslo, Hamburg and Singapore became the first offices to offer the new service, which covers a wide-ranging multi-disciplinary technical base, including: classification systematics, hulls, machinery, stability, safety and emissions. The Houston and Piraeus offices will roll out DATE in 2015.

IN COMPLIANCE AND PREPARED FOR OPERATION. Preparing for the introduction of stricter limitations on sulphur emissions for ships operating in Emission Control Areas in 2015 posed both a regulatory and operational challenge for many owners and operators. We have worked actively and directly with our customers to prepare for the switch and to operate safely and effectively under the new regime. At the same time, our new publication 'Sulphur Limits 2015 - Guidelines to ensure Compliance' was released to give a general overview of the regulatory background, potential



difficulties and best technologies to help with the fuel change-over procedure and new requirements. We also developed a ship-specific Fuel Change-Over Calculator specifically to determine the ideal parameters for a vessel's fuel change-over.



MANAGING BIG DATA. At the SMM trade fair in Hamburg, DNV GL introduced ECO Insight, a unique performance management portal. Combined with the new Navigator Insight data collection and logging software, ECO Insight gives shipping companies a fast track to an effective performance management system.

ECO Insight provides a comprehensive and easily accessible way to manage fleet performance, including voyage, hull & propeller, engine & systems performance. It enriches customers' own fleet reports with industry data, such as Automatic Identification System (AIS), weather, or fuel, and provides benchmarking capabilities.

Advanced engineering systems are also packaged into the portal. Navigator Insight uses plausibility checks against specific vessel particulars to ensure high-quality data collection on board.

The new AIS Business Intelligence Service uses Big Data to gain valuable insights into a range of different areas. Case-relevant data is fed into advanced models and analytics schemes in order to analyse information about voyage management, port and bunker operations and benchmark data from other market players. This enables us to tailor the analysis to each customer's needs and provide advice on reducing operational costs, voyage management optimization and retrofit solutions.

PERFORMANCE OPTIMIZATION. One of our most widely used maritime software products is the award-winning trim and fuel efficiency tool ECO Assistant. Since it was launched five years ago, 500 vessels of all types have benefited from improved profitability and sustainability. In this short time, ECO Assistant has saved in excess of USD 150 million in fuel costs, with a resulting reduction in CO₂ emissions of 700,000 metric tonnes. That equals the amount of carbon removed from the atmosphere by over 100,000 acres of forest over the same period.

COLLABORATIVE INNOVATION. DNV GL takes part in more than 100 innovation projects annually, where we combine our expertise with that of industry partners and customers to find solutions to complex

technical challenges. As an example from 2014, Hanjin, GTT and DNV GL signed an agreement to jointly investigate and develop a gas-fuelled large container vessel concept equipped with membrane fuel tanks. The objective is to develop a concept for sailing long distances on LNG by using technologies and associated systems which are well-proven or already deployed in the market.

OTHER ACHIEVEMENTS IN 2014

Offshore class - jack-up successes
We signed agreements for the classification of two newbuilding jack-ups with dynamic positioning - Vahana Aryan and Vahana Arjun. They have been designed for Vahana Offshore (S) Private Limited of Singapore by GustoMSC and will be constructed by Eversendai Offshore RMC FZE, Dubai.

BW Offshore has chosen DNV GL to provide classification, verification and certification services for the UK North Sea Catcher FPSO. We provide such services to 70% of the UK shelf FPSOs and have been involved in all the newbuild units since 2000 in this sector.

Ethane firsts for DNV GL and Hartmann
Hartmann Schiffahrts GmbH & Co. KG, Jaccar Holdings, HB Hunte Engineering and DNV GL signed a letter of intent for the classification of five ECO STAR 85k very large ethane carriers.

The vessels will have a capacity of 85,000 m³ each and are equipped with the new cargo tank design Star-Trilobe. This combines three cylinders into one, resulting in a 30% increase in cargo carrying capacity.

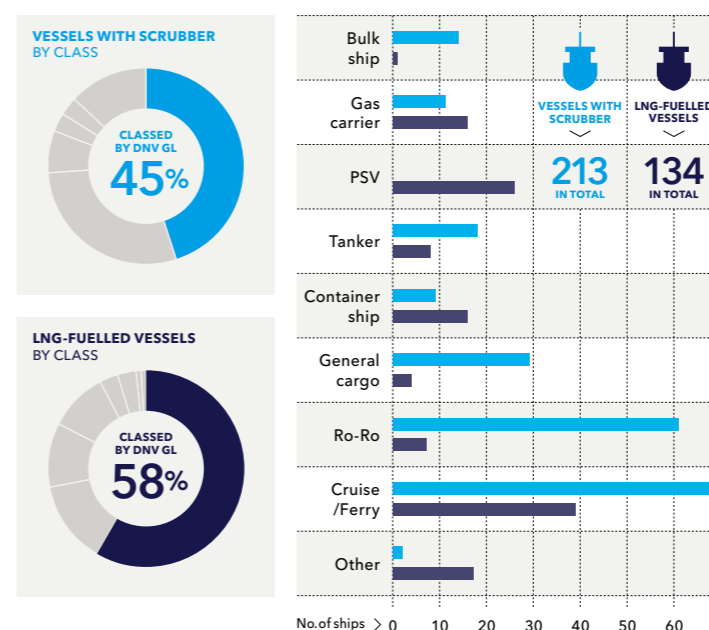
First methanol-fuelled vessels
The first three vessels to use DNV GL class rules for low-flashpoint fuels, released in 2013, will be a series of 50,000 dwt tankers ordered by the owners Marinvest and Westfal-Larsen. The vessels are also the very first to be fuelled by methanol - a fuel that significantly reduces local air emissions. These product carriers will be built at Hyundai Mipo Dockyards and are scheduled for delivery in 2016.

Launch of the new giants
2014 saw the delivery of the new CSCL Globe, at the time the world's largest container ship. Constructed by Hyundai Heavy Industries Co., Ltd (HHI) for China Shipping Container Lines (CSCL), the DNV GL-classed containership is the first in a series of five 19,100 TEU vessels.

FIGURE 01 HOW SHIPOWNERS ARE MEETING NEW LOW-SULPHUR REGULATION

From 1 January 2015, ships navigating in so-called Emission Control Areas face strict limits on how much sulphur can be emitted in the ship's exhaust.

Shipowners can meet the new regulations by using fuel with a lower sulphur content, alternative fuels like LNG, or by fitting an exhaust gas scrubber.



UNLOCKING OPPORTUNITY ACROSS THE GAS VALUE CHAIN

DNV GL maintains a deep focus on initiatives that plot a pathway to a more sustainable energy future. In 2014, the company redoubled its efforts to help the industry achieve safer, smarter and greener operations. In the gas sector, we have enhanced safety, reliability and performance at every stage of the value chain.

35%

OF THE WORLD'S LNG PLANTS HAVE BEEN SUPPORTED BY DNV GL TO ENSURE SAFE DEVELOPMENT AND OPERATION.

CAPTURING LOST POTENTIAL

5% of the world's gas supply is wasted through flaring and venting. In 2014, DNV GL launched an Extraordinary Innovation Project to investigate solutions to capture gas flared in oil fields. By examining ways to convert, transport and utilize this resource, it is possible to increase energy efficiency and mitigate environmental impact across the entire oil industry.

750

BILLION KILOWATT HOURS OF ELECTRICITY COULD BE PRODUCED IF THIS GAS WAS HARNESSSED FOR POWER.

SETTING STANDARDS FOR LNG

The combined competence and synergies of DNV GL legacy organizations is a powerful proposition for the LNG sector. In 2014, this expertise paved the way for a contract with BG Group for process safety in the design verification for the FEED of the Lake Charles Liquefaction project.

The contract was awarded on the back of previous BG Group assignments to legacy GL colleagues in Australia, Trinidad & Tobago and Egypt. Meanwhile, the local legacy DNV team provided LNG expertise.

FOCUSED ON THE FUTURE

DNV GL was commissioned by the Energy Technologies Institute in 2014 to lead a project that explores future energy systems in the UK and Europe.

Our project team has begun initial exploratory work into the potential production, utilization and infrastructure requirements of several gas scenarios in the UK in 2050. These include bio-SNG, high-hydrogen gas and alternative natural gas.

FULL-SCALE TESTING AT SPADEADAM

Gas releases and explosions can cause significant damage to life, property and the environment. Experts at our full-scale Spadeadam Test Site in Northern England have used large-scale fire and explosion tests to validate oil and gas industry products and methodologies.

The tests enable customers to understand practical considerations in high-risk situations. Projects in 2014 included the testing of passive fire protection materials using jet fires and two fracture propagation tests for inter-national companies.

1,624

DESTRUCTIVE AND NON-DESTRUCTIVE TESTS WERE CONDUCTED AT DNV GL'S SPADEADAM TEST SITE IN 2014.

2014 was defined by the inherent volatility that occurred in the oil and gas industry. Operating costs continued to rise and the industry faced a rapid fall in oil prices. DNV GL was well-positioned to support customers in their efforts to enhance the safety, reliability and performance of projects and operations in this rapidly evolving energy landscape.

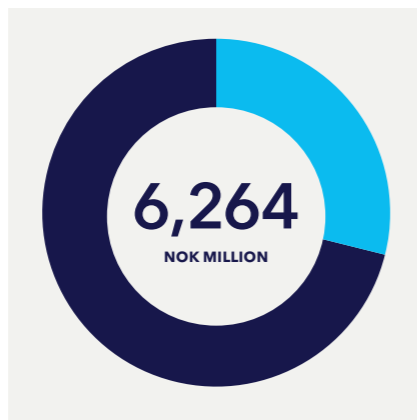
DNV GL was appointed as technical advisor and assurance partner to a variety of landmark projects and operations in 2014. These included a multi-million pound third-party Independent Competent Person contract related to compliance with offshore regulations for the Statoil Mariner field; the largest offshore development in the UK in more than a decade.

40
COUNTRIES

Our global network of oil and gas experts is spread across 40 countries.

Our integrated expertise facilitated success across the industry, as illustrated by the contract win with BG Group for process safety in design verification relating to the front-end engineering and design (FEED) for the conversion of the Lake Charles Liquefied Natural Gas (LNG) import terminal to an export facility. Here, legacy GL process engineering experts' previous experience of BG Group LNG projects in Australia, Trinidad & Tobago and Egypt, combined with the LNG expertise of local legacy DNV staff, helped secure a contract for the FEED of the Louisiana-based development. In Asia, we signed a contract with ENI Muara Bakau B.V. for the classification and verification of the Jangkrik Floating Production Unit (FPU) in a joint venture with BKI (PT Biro Klasifikasi Indonesia). The new-build FPU will have the capacity to treat 450 mmscfd of gas plus condensates and is scheduled to start production in 2017. This marks DNV GL's entry into FPU classification in the Indonesian market.

➔ REVENUE: OIL & GAS' SHARE OF TOTAL



We also signed a five-year agreement with one of Shell's oldest joint venture companies, BSP. DNV GL will provide third-party inspection and specialist services to more than 300 on- and offshore facilities in Brunei.

INVESTING IN INNOVATION. A continuing programme of investment, in both people and facilities, is key to DNV GL's aim of innovating to add value for customers and the industry at large. In 2014, this was supported through a strengthening of our global network of technical and innovation hubs and laboratories.

This included trebling the size of the Deepwater Technology Centre in Singapore and augmenting our harsh-environment expertise. We also established a new research and development hub in Brazil to focus on offshore safety, subsea systems, deepwater drilling and well control. Activity at our multiphase flow laboratory in Groningen, the Netherlands, also increased in 2014, as epitomized by a six-week test on the Twister supersonic gas separator commissioned by Samenwerkingsverband Noord-Nederland (SNN).

DRIVING EFFICIENCY, REDUCING COSTS. Ongoing rises in operating costs collided with a dramatic fall in oil prices in the second half of 2014. Operators across the industry responded with further cutbacks in their capital expenditure plans and cost cutting across their operations. This enforced our work to enable customers to achieve significant cost efficiencies and develop a more sustainable cost base through industry standardization.

In the subsea sector, we introduced the first certification scheme for subsea equipment and components to drive efficiency, while also collaborating with Statoil on a project to introduce an international

➔ EMPLOYEES: OIL & GAS' SHARE OF TOTAL



industry standard for subsea factory interface standardization. In addition, DNV GL has joined forces with 19 industry players to facilitate the streamlining of subsea documentation, seeking to increase efficiency through the presentation of a minimum unified set of documentation requirements for all major subsea components.

As the digitalization of the oil and gas industry continues, the opportunities and challenges provided by accessing 'big data' become more evident. We are honing our competency in the field through our involvement in the four-year Optique joint industry project. This industry-academia initiative will seek to enhance access to large and complex data sets to facilitate more informed decision-making – another key to driving forward future efficiencies.

1st

We facilitated efficiency by introducing the first certification scheme for subsea equipment and components.

Advances in, and the industry's increasing reliance on, IT leads to risks as well as opportunities. Cyber security is one area of concern where we are supporting customers, providing in-depth risk assessment and management solutions. In 2014, we used our expertise to address the issue for Total E&P Norge and its Martin Linge project.

SUPPORTING EVOLVING NEEDS, ON- AND OFFSHORE. 2014 was a game-changing year within the industry, and not just due to the economic environment. The continued growth of the unconventional oil and gas sector in North America led to increased interest in safe and efficient onshore operations in the US.

At DNV GL, we responded by proposing a joint industry project on decision strategy development for water management in shale gas as well as progressing our work in quantifying fracking risk. This project will be further developed and presented in 2015.

The growth of onshore developments in the US has not diminished the focus on safe operations offshore. Oil and gas companies operating in national waters are currently adapting to fresh offshore regulatory requirements. To assist them, DNV GL launched a new roadmap of requirements for floaters, providing a comprehensive overview – the first of its kind – of the necessary steps to comply with US Coast Guard requirements for operating FOIs, FSOs and FPSOs in US waters.

In Mexico, the government's decision to open its energy sector to foreign companies in 2014 heralds a new age of opportunity. Bidding for fields begins in mid-2015 and DNV GL is supporting both national operator Pemex and new entrants to the recently liberalized market. Our Mexico City-based team of 170 employees is currently working on a number of projects, including delivering, with Pemex, a financial risk assessment of deepwater drilling activities

30
new joint industry projects were initiated by our Oil & Gas business area in 2014.

in wells in water depths over 500 metres. We are also working alongside the national oil company through a consortium to undertake pipeline integrity work.

GROWING MARINE COMPETENCE. We continued to grow the capability of our Noble Denton marine assurance and advisory services in 2014. A pioneer of the marine warranty concept, this service area now offers major marine companies a broad range of technical assurance and advisory services, from marine warranty surveying to dynamic positioning.

In 2014, the company helped CNOOC perform the first offshore platform installation in China using advanced dynamic positioning float-over technology. A further assignment was conducted in Lerwick, Shetland, where DNV GL acted as marine consultant when a Solan Oil Storage Tank (SOST) was offloaded from a heavy lift vessel and towed to its quayside mooring.

The tank, one of the largest assets ever successfully offloaded at Lerwick, will collect and store oil from Premier Oil's new Solan field, prior to export via shuttle tanker.

THE POWER OF INNOVATION. Our commitment to joint industry projects (JIPs) allows us to share knowledge and examine new solutions to emerging technical challenges. This has resulted in greater technical competence and new paths to smarter ways of working: for us, our partners and the entire industry.

In 2014, we initiated 30 new JIPs. These included an enhanced oil recovery concept, combining mature water injection technology with the latest developments in offshore wind power, and the launch of a JIP to combat microbiologically influenced corrosion on onshore transmission pipelines.

Demonstrating our ability to adapt technical innovation from analogous industries, we also proposed a new hybrid power concept for offshore units, utilizing batteries in combination with traditional power generation equipment. This concept has already benefited the maritime and automotive sectors, but has yet to be adopted in the oil and gas industry.

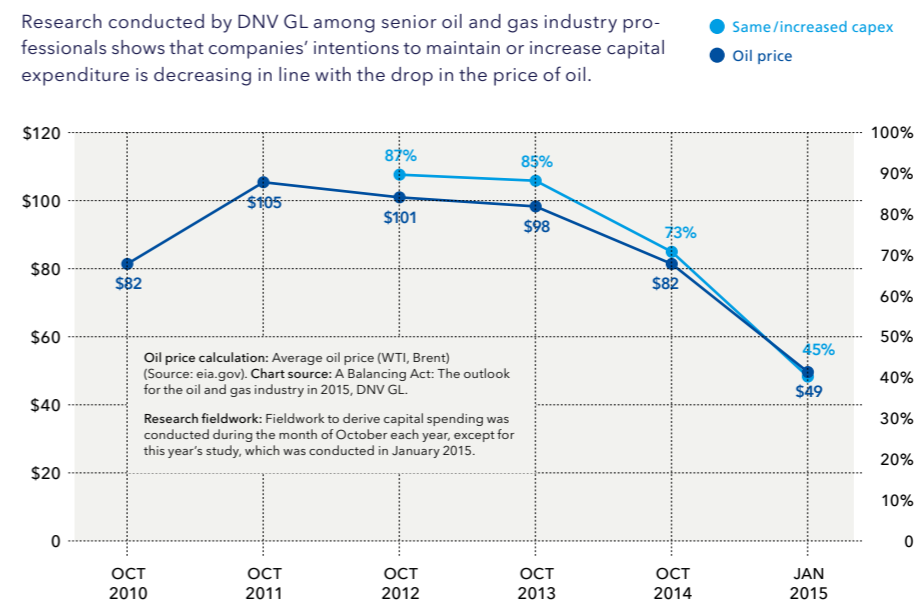
OTHER ACHIEVEMENTS IN 2014

Risk management consultancy of the year
DNV GL was awarded the title of 'Risk Management Consultancy of the Year' at the Global Risk Awards 2014. Organized by the Institute of Risk Management (IRM), the accolade was presented for our exceptional performance and overall contribution to the risk management profession.

Middle East integrity
DNV GL was recognized for protecting customers' assets in the Middle East in 2014. At its Asset Integrity Workshop, the Society of Petroleum Engineers (SPE) presented DNV GL with an award for the best 'Company Contribution to Asset Integrity in the Middle East'.

Recognition for exceptional competence
Dr Carl Arne Carlsen, with a career spanning 40 years in DNV GL, was awarded the Distinguished Individual Achievement Award at the 2014 Offshore Technology Conference (OTC) for his 'outstanding, significant and unique achievements' within the offshore industry.

FIGURE 02 MOVING IN TANDEM: OIL PRICE VERSUS MAINTAINED/INCREASED CAPEX



THE SHIFTING ENERGY PLAYING FIELD

As renewables become more dominant in the energy mix, security of supply from variable power generators is at stake. At the same time, security of supply becomes an issue touching everyone's daily life. We have the means to keep energy affordable and energy efficiency is the low-hanging fruit. We help the power industry address the trilemma of clean, reliable and affordable energy.

16 GW

OF PV-SOLAR POWER CAN BE ABSORBED BY THE DUTCH DISTRIBUTION NETWORKS WITHOUT GETTING OVERLOADED, ACCORDING TO OUR STUDY.



ASSESSING ENERGY SAVINGS IN THE US

We help hundreds of customers each year with energy efficiency projects. In one case, we led a team of four consulting firms to help a US-based customer understand the baseline conditions at each of its sites. We identified and analysed potential energy-savings projects, and prepared documentation to support the implementation of selected projects.

MUSD 5.9

INVESTMENT IN 26 ENERGY-SAVINGS PROJECTS WAS MADE BY ONE OF OUR CUSTOMERS BASED ON OUR ASSESSMENT.



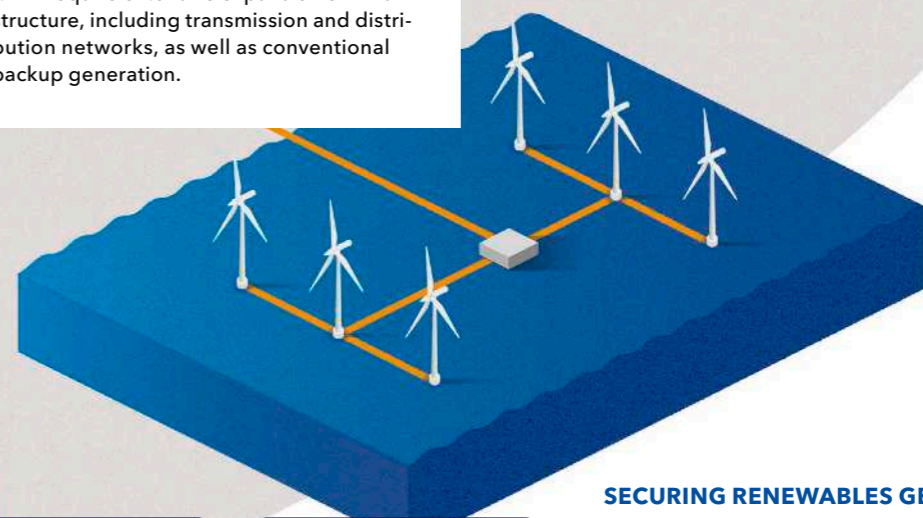
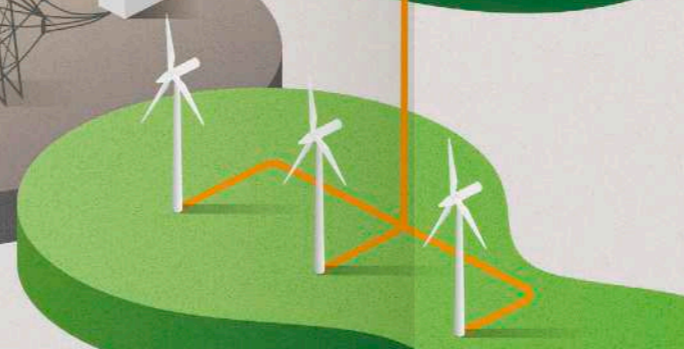
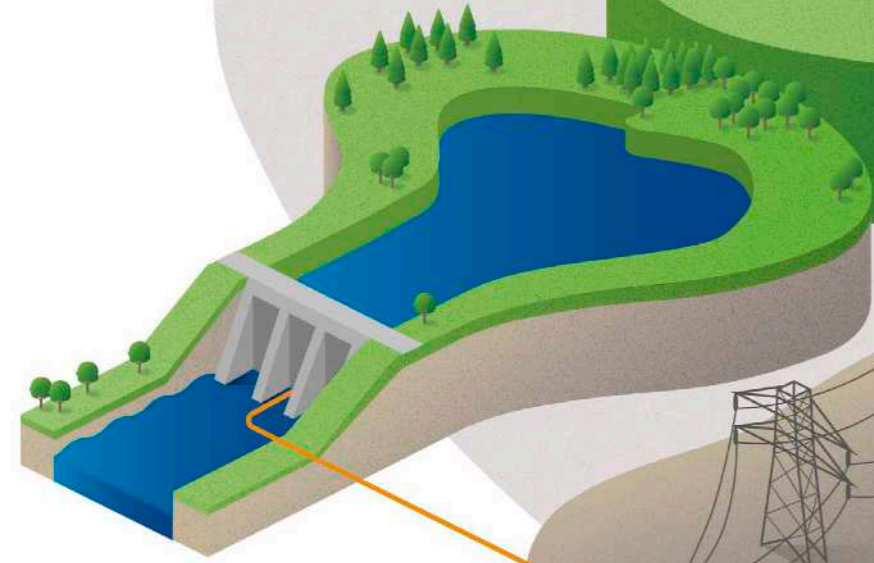
INTEGRATION OF RENEWABLES

In 2014, the European Commission asked us to conduct a study together with Imperial College London and NERA on the impact of renewables on distribution grids.

The study showed that integration of 60% of renewables into the European electricity system will be feasible by 2030. However, it will require extensive expansion of infrastructure, including transmission and distribution networks, as well as conventional backup generation.

60%

OF THE EUROPEAN ELECTRICITY SYSTEM CAN POTENTIALLY COME FROM RENEWABLES BY 2030 ACCORDING TO OUR STUDY.



DEVELOPING ENERGY INFRASTRUCTURE IN AFRICA

Africa's economy is booming; seven out of the ten fastest growing economies in the world are in sub-Saharan Africa. In Kenya, DNV GL developed project specifications and provides construction supervision and asset-management training for a 426 km 400 kV transmission line. We also provide general technical expertise and insights.

7 GW

OF WIND ENERGY WILL BE HARVESTED BY 2030 AT ASHEGODA IN ETHIOPIA, ONE OF AFRICA'S LARGEST WIND FARMS.

Our role is to confirm the safety and reliability of the installed wind turbines. Ashegoda is situated in complex terrain at 2,200-2,500 m above sea level.

247

OFFSHORE WIND TURBINES WERE COVERED BY THE 18 OFFSHORE WIND FARM PROJECTS THAT WE CERTIFIED IN 2014.

1.6

MILLION HOUSEHOLDS CAN BE POWERED BY THE 1,600 MW INSTALLED POWER FROM THESE PROJECTS.

SECURING RENEWABLES GENERATION

Offshore wind farm projects are associated with a range of risks due to complex wind and wave loading conditions. Project Certification is a well-proven system for third party review and approval of wind turbines, support structures and substations at a specific location to minimize these risks. Project Certification comprises specific technical reviews ranging from design verification and site-specific environmental conditions to manufacturing and commissioning surveys.

Record-breaking electricity production from renewable energy sources and dropping oil prices are turning the 'world of energy' into an exciting and challenging global playing field. Geo-political developments, related energy security concerns, the public need for lower energy prices and the increasing demand for electricity are all driving energy up the global political agenda.

Over the past century, electricity has been transformed from a luxury into a commodity. Along this path, demand and dependency on electricity have increased exponentially. At the same time, there is an increasing expectation that energy will be clean, secure and affordable. At DNV GL, we call this the 'energy trilemma' and work with all types of stakeholders in the energy industry to help address it.

30%
of prototype components tested in our laboratories initially fail to pass the tests and do not achieve certification.

FROM HYDROCARBONS TO RENEWABLES. Energy generation is shifting away from conventional hydrocarbon-fuelled power plants to renewable energy sources. Climate change awareness and the desire for clean air stimulate the growth of renewable energy sources globally. In addition to technology shifts, the issue of energy security was paramount throughout 2014, resulting in renewables being considered not only as a method of fighting climate change, but also as a path to energy independence in a changing energy mix.

SOLAR POWER BECOMING COMPETITIVE. The cost of solar photovoltaic (PV) power has declined significantly in the past few years, leading to market growth of 35% in 2013, with a total installed capacity of 137 GW and continued sound growth in 2014. Europe remains the world's leading region in terms of cumulative installed

➔ REVENUE: ENERGY'S SHARE OF TOTAL



➔ EMPLOYEES: ENERGY'S SHARE OF TOTAL



solar capacity. Countries in Asia Pacific have rapidly moved into second place, followed by the Americas. Lower prices and increased competition may impact the quality and performance of solar panels.

In 2014, we acquired PV Evolution Labs in Berkeley, California. DNV GL now has a test laboratory and an outdoor test site offering performance testing of PV panels. It allows investors and owners to curtail risk and build profitable business cases in a market with many new players, intensified price competition and increasing quality and performance issues. DNV GL aims to become the world's leading provider of solar energy testing and advisory services by 2020.

SUPPORTING OFFSHORE WIND. Offshore wind power is promising, but costs need to be reduced. A unit of wind electricity generated offshore is currently 50% more expensive than if it is generated onshore. However, it is tempting to make use of the sea's wide open spaces and rich wind resources and the potential is massive. In our project FORCE ('FOr Reduced Cost of Energy'), our wind turbine engineering support team defined four ways for the wind industry to reduce the cost of electricity generated by offshore wind by at least 10%. In our 'cost reduction manifesto', we state our aim of teaming up with the industry to achieve further 25% reductions in offshore-generation costs by 2020.

NEXT GENERATION GRIDS. Adapting the grid is crucial in the energy transition. Power generators and owners of transmission and distribution grids face new technical, environmental, economic and policy challenges. On the transmission grid level, we will see larger, more volatile power flows over longer distances since renewable power is often generated far from where

it is to be used. As a member of a world-leading team of energy economists, we helped the European Commission understand the costs of integrating variable renewable energy sources into the grid and the impact on distribution systems. The results gave insights about what could be achieved through the smart integration of large-scale renewables.

In Africa, we supported the Kenyan transmission system operator, KETRACO, in developing its new and robust grid comprising 4,000 km of high-voltage transmission infrastructure. We advised on the construction of substations and helped to develop the 426 km overhead transmission line which will connect Africa's largest wind farm, Lake Turkana, to the Kenyan transmission grid. Once operational, Lake Turkana will represent 17% of Kenya's installed power generation capacity.

FACILITATING TOMORROW'S SUPERGRIDS. Direct current technology will be used for subsea interconnectors between markets and will help create a subsea grid for offshore wind developments. Onshore supergrids will also be built to cross international

8.46 GWh
of energy savings are reported by the energy efficiency business partner programme in New York State, US, equalling the electricity consumption of 1.3 million households.

1,000
ISSUED CERTIFICATES
In 2014, we passed the milestone of 1,000 issued Grid Code Compliance certificates and reports, representing a capacity of more than 8 GW in Germany.

borders and carry bulk electricity through new interconnection corridors. Our ongoing investments in our high-power test laboratory in Arnhem, the Netherlands, will create additional capability where manufacturers can test their equipment for these supergrids. We also initiated a joint industry project with ten industry players to develop a methodology for the technology qualification of offshore High Voltage Direct Current (HVDC) technologies. This recommended practice will facilitate a safer adoption of offshore HVDC grids.

TESTING ENERGY STORAGE SOLUTIONS. Energy storage will facilitate renewables integration. We anticipate that both building- and grid-scale energy storage, which can store generated electricity until it is needed, will grow substantially in the years to come. In 2014, we opened our New York BEST Testing Center, in partnership with the State of New York, to test battery technologies.

ADAPTING TO CLIMATE CHANGE. Climate change is expected to lead to more severe weather events, and may also result in unprecedented impact on the electricity infrastructure, as happened with super-storm Sandy in 2012 in the US. We have

developed a probabilistic risk-cost-benefit framework called ADAPT-Power for analysing power system investments to mitigate severe weather and climate change impacts. The components in ADAPT help build scenarios that identify stressors, vulnerabilities and consequences which can be used to determine appropriate resilience options and investments for power system planners and operators.

SMART ENERGY SYSTEMS. Increased urbanization is leading to an interest in 'smart green cities,' which enable citizens to live and work in an energy efficient manner. New technology is allowing home renewables generation to combine with smart appliances. Increases in sensor usage and data analysis allow the individual to control the way energy is used at home and work on an hour-by-hour basis. These smart systems allow for demand response, where customers voluntarily reduce power usage during peak times. We are a partner of, and driving force behind, the Universal Smart Energy Framework (USEF), an industry initiative with the aim to design an open framework to accelerate the development of smart energy products, services and solutions for the large-scale implementation of smart grids. By defining a minimal set of specifications for smart energy systems, USEF ensures that products and services for smart grids become 'interoperable', or more easily adopted by communities.

ENERGY EFFICIENCY. We help manage or advise on a number of energy efficiency projects. As an example, we helped the New York State Energy Research and Development Authority manage its two-year heating, ventilation and air conditioning business partner programme. In 2014 alone, more than 4,200 Quality Maintenance projects were completed, beating the programme goals by 350%.

COMBINING EXPERTISE UNDER ONE BRAND. In 2014, we merged the rich heritage of our legacy brands DNV, KEMA, Garrad Hassan and GL Renewables Certification into the new DNV GL brand. An independent survey revealed that, after one year, 75% of our Energy customers are aware of the DNV GL brand and know that we have a wide global network of offices, provide unique technical expertise and work in close partnership with our customers and partners.

OTHER ACHIEVEMENTS IN 2014

Accurate prediction of wind speed. DNV GL secured the highest score in a wind-flow-modelling blind test organized by E.ON, a leading power and gas company. The blind test challenged six parties in the global wind industry to accurately predict the wind regime at eight complex wind farm sites.

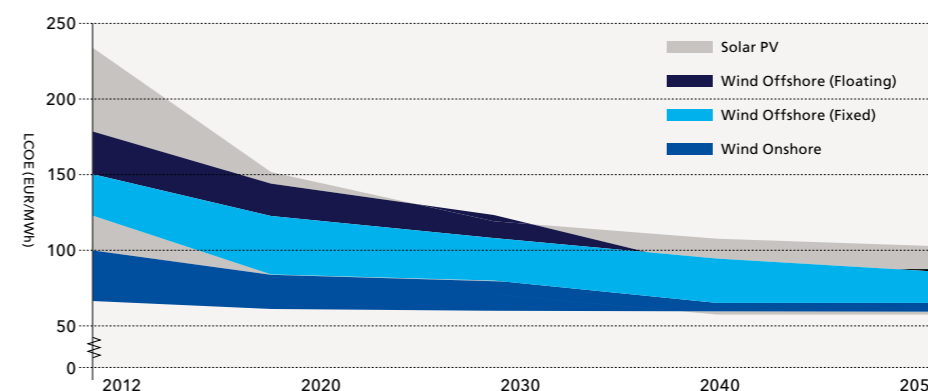
Testing and certification of smart meters. We own the leading centre for testing and certifying smart meters in Spain. This certifies technology that enables communications, interoperability and functionality. Spanish companies will roll out 27 million smart meters to residential customers by 2018.

Low Carbon Technologies (LCT) transfer and deployment in Asia and the Pacific is supported by the Asian Development Bank for the sustainable development of the region. We were selected as the technical expert providing initial technical screening, assessment and due diligence consultancy services in the form of advice and recommendation on the feasibility and viability of LCT options and projects.

Substation automation standard gaining momentum. As our Arnhem laboratory is the first level 'A' accredited Utilities Communications Architecture (UCA) test laboratory, we have performed IEC 61850-10 conformance tests over the past few years, resulting in 356 certificates issued by UCA. Our testing and advisory services to utilities, manufacturers and system integrators help improve the interoperability of assets.

The world's largest offshore wind turbine in series production is the Siemens SWT-6.0-154. DNV GL certified the turbine's design, manufacturing, installation and commissioning processes and related documentation.

FIGURE 03 EVOLUTION OF LEVELIZED COST OF ELECTRICITY (LCOE) FOR DIFFERENT RES TECHNOLOGIES



SUSTAINABLE SUPPLY CHAINS

Every product is the result of a supply chain. But the notion of supply chains may be far too simplistic for today's globally connected economy. Often they constitute vast networks or 'webs' created amongst different companies producing, packing, handling, storing, distributing and retailing specific products. Sustainable supply chain practices ensure resilience, efficiency and agility whilst addressing quality, safety, ethics and responsible sourcing.

RESPONSIBLE SOURCING

Traceability of the source of raw materials is driving consumer demand. The food & beverage industry looks to assure that commodities such as tea, coffee and soy are responsibly sourced. In the electronics sector, responsible sourcing from suppliers that manufacture components is vital to protect reputations and meet consumer expectations.

We have worked to meet increased requirements in social and ethical auditing schemes such as the SEDEX Members Ethical Trade Audit and EICC (Electronic Industry Citizenship Coalition). The frequency of requests for 'Labour and Human Rights' and 'Code of Conduct' compliance audits grew significantly in 2014.

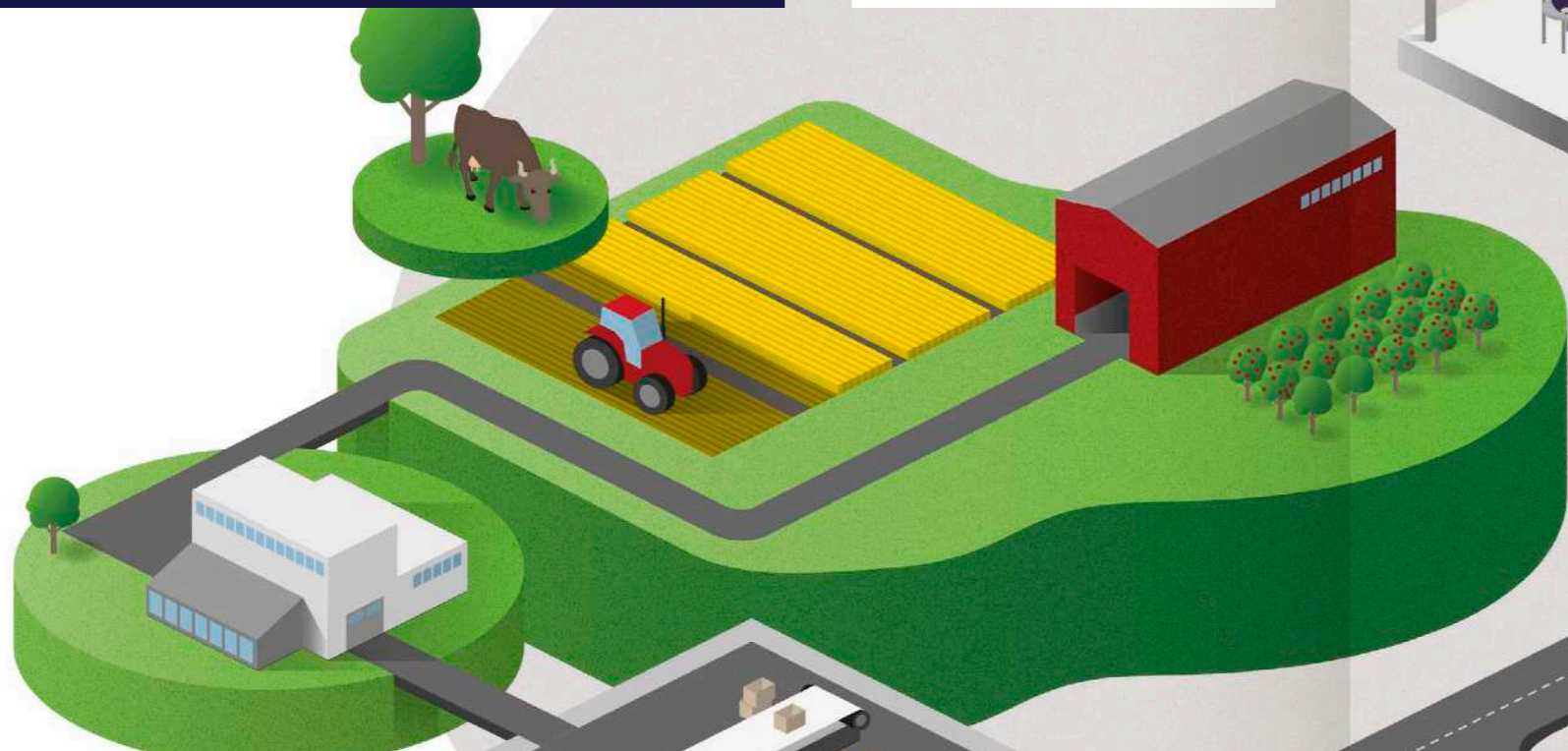


12x
MORE PROFITABLE
 A STUDY BY BAIN & COMPANY SHOWED THAT COMPANIES EMPLOYING SOPHISTICATED SUPPLY CHAIN METHODS MADE 12 TIMES THE PROFIT OF COMPANIES USING UNSOPHISTICATED METHODS.

SUPPLY CHAIN ASSURANCE

Supply Chain Assurance is the means by which organizations demonstrate to themselves and their customers that all vulnerabilities in the supply chain are understood and managed: from identification of the criteria suppliers need to adhere to, collection of up-to-date information, external audits, statutory reporting and public domain information, to published verification and audit reports and supplier approval and procurement processes.

We have further developed our assurance services to be increasingly supply chain centric in order to help organizations understand their supply chain risks when designing or selecting a bespoke protocol or standard and assurance programme. In 2014, we helped companies across the world build the assessment criteria required to assure a robust and appropriate supply chain.



SUPPLY CHAIN RISK MANAGEMENT

The potential for things to go wrong throughout such complex networks is arguably proportionate to the number of organizations involved, but many other factors come into play. Increasing complexity means increasing risk.

Supply Chain Risk Management identifies and measures vulnerability within the supply chain to allow active management to avoid failure and ensure business continuity.

We were engaged by a number of the most globally recognized brands in 2014 to assess the compatibility of their suppliers.



100,000
SUPPLIERS
 LARGE CORPORATE BRANDS ARE KNOWN TO HAVE UP TO AND WELL OVER 100,000 SUPPLIERS THAT THEY HAVE TO MANAGE.

19-29%
 OF THE GLOBAL GREENHOUSE GAS EMISSIONS COME FROM OUR FOOD SYSTEM.

2,500
 LITRES OF WATER IS USED TO PRODUCE 500G OF CHEESE.

RESOURCE FOOTPRINTING

Usage of water and energy and carbon emissions continue to concern companies across all industry sectors. Assessing the water and carbon footprint of an organization and carrying out energy efficiency assessments in response to new initiatives (such as the EU Energy Efficiency Directive) is increasingly becoming part of our service to customers. In 2014, we strengthened our assessment services for water management and carbon mitigation.

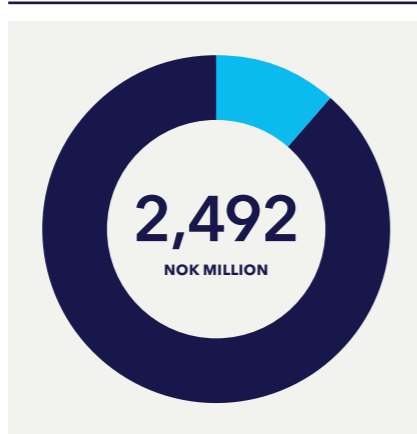
Companies and organizations face a growing demand from their stakeholders to demonstrate sustainable business performance. Their ability to understand and manage these expectations may mean the difference between success and failure. Identifying and managing the most relevant risks to reach long-term business goals is complex. By certifying companies' management systems, we enable companies to address this challenge.

Having a well-functioning certified management system can be a good start for companies to manage a broader set of business challenges and build sustainable business performance. 2014 saw the International Organization for Standardization (ISO) raise the bar with a revision of its management system standards. The expected 2015 versions of ISO 9001 (quality management system) and ISO 14001 (environmental management system) will include requirements for companies to understand the context of their organization, stakeholder demands and their most critical risks, also referred to as materiality.



A SUSTAINABLE MANAGEMENT SYSTEM. Anticipating the changes to the ISO standards, we evolved our service portfolio to include new and enhanced services. Our proprietary methodology for how we deliver management system certification, Next Generation Risk Based Certification, became fully operational. All our auditors have been trained to apply the new methodology when performing audits of customers' management systems. The new service provides more business insight to our customers while verifying compliance against the chosen standard.

➔ **REVENUE: BUSINESS ASSURANCE'S SHARE OF TOTAL**



The objective is that customers should experience an easier transition to ISO's 2015 version of the management system standards. Coupled with this, we continued to automate data collection for core services to improve service quality and enable analysis of the data collected. This will allow us to provide accurate benchmarks to our customers. Certification to ISO management system standards continued to increase worldwide. Revenues from our management system certification services grew by 6% last year. In order to support further global growth and reach new markets, we expanded our e-learning offer in 2014. This forms part of our training services related to management system certification.

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. Although management system certification accounts for the vast majority of revenues generated by Business Assurance, it is a strategic priority to grow our product assurance services. Revenues from our product certification portfolio grew by 6.9% last year.

TARGETING THE FOOD AND BEVERAGE INDUSTRY. Food safety and responsible sourcing are still at the top of the agenda for the food and beverage sector. However, consumers are demanding increased transparency and trust in the supply chain in addition to focusing on the way the industry contributes to tackling global risks. The sector is taking more action

➔ **EMPLOYEES: BUSINESS ASSURANCE'S SHARE OF TOTAL**



to improve its sustainable business performance, and has started to address issues like water and food waste management.

The increased complexity and globalization lead to a transformation from 'food chains' to 'food webs'. Coupled with this complexity are industry players' decisions to shift production to different locations. The result is increased demand for assurance in the logistics segment. This trend is reflected in a growing number of certifications against specific segment protocols.

DNV GL continues to be a main player in the food and beverage sector and grew this business by 18% in 2014, in line with the previous year's strong growth figures. Going forward, we plan to continue to expand into new geographical markets and to broaden our service portfolio with the objective of helping our customers to raise the bar in safety and sustainability internally and with their suppliers.

We also continue to engage with NGOs and other stakeholders to help achieve a world with safe and sustainable food.



ENHANCING SAFETY AND QUALITY IN THE HEALTHCARE INDUSTRY. In 2014, we continued to support healthcare providers in applying systems thinking to address the unique risks that they must manage in order to deliver quality care tailored to the needs of the patients. By combining our global infrastructure and local presence with our risk management experience and expertise, we are uniquely positioned to help healthcare providers continually improve their safety and quality performance.

In 2014, we received accreditation from the International Society for Quality in Healthcare (ISQua) for our healthcare accreditation programme. This complements the accreditation we already have for our DNV GL Hospital Accreditation Standards (DIAS). In addition to hospital accreditation, we also offer accreditation for Primary Care Providers and Specialist Outpatient Clinics. The DIAS set of standards integrates requirements for staff and patient safety and quality of care with the ISO 9001 quality principles and framework.



Feedback from hospitals we have worked with reveals that our approach is rigorous and robust while still allowing the flexibility needed to develop appropriate local solutions.

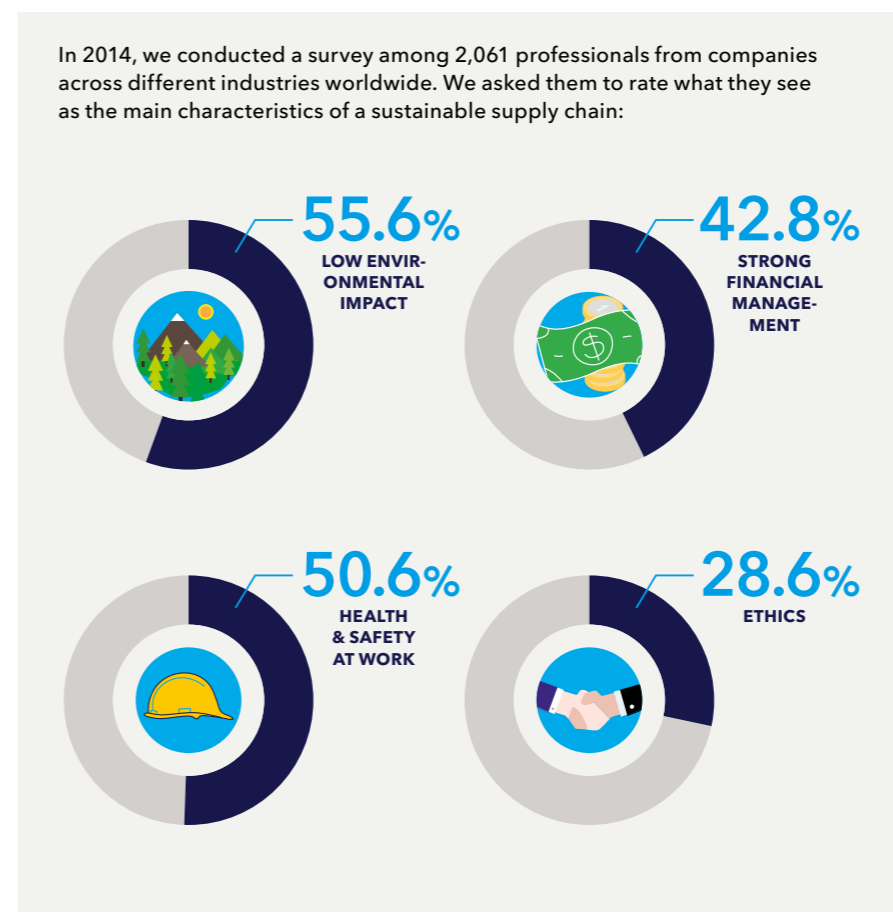
In 2014, our Managing Infection Risk Programme resulted in the first two hospitals being awarded 'Centres of Excellence' certificates, with many more in the process of obtaining the same. The programme uses a risk-based safety management approach

to address infection control and brings a fresh approach to address one of the most pressing and persistent challenges that threatens patient safety across the world.

LOOKING AHEAD. We continue to see a robust demand for independent certification, verification, assessment and training services. Our certification market is expected to continue to grow due to the increase in global trade, stringent regulations and new products covering the broad sustainability area. We also plan to expand into new geographies, notably Africa. Increased stakeholder demands for transparency and sustainable operations fuel this need.

We remain committed to being a thought leader in the certification industry through innovative approaches that incorporate the sustainability concept and partnerships with customers and other stakeholders to help business and society operate more sustainably. We plan to grow our product assurance business and supply chain management offering, through both organic and non-organic means.

FIGURE 04 SURVEY - SUSTAINABLE MANAGEMENT OF SUPPLY CHAINS



OTHER ACHIEVEMENTS IN 2014

ASC accreditation
DNV GL was accredited to certify salmon farms according to the Aquaculture Stewardship Council (ASC) Salmon Standard, which communicates an environmentally friendly and socially responsible production of seafood.

Growing community
The ViewPoint Community, comprised of DNV GL - Business Assurance customers, was established to share insight, knowledge and foresight on topics that impact our customers' operations, sustainable business performance and stakeholder trust. After two years, the community comprises more than 8,000 active members globally, representing companies of different sizes and in different industries.

Best verification company
DNV GL was ranked as the 'best verification company' in the Environmental Finance magazine's 2014 survey, continuing our leadership position in the worldwide market for voluntary carbon offset projects and trading of carbon emissions credits. We also earned top honours in the 2013 survey.

BUILDING TRUST WITH INTEGRATED SOFTWARE AND TESTING

Our software solutions help our customers in the maritime, oil and gas, energy and healthcare sectors to ensure compliance and enable more efficient and safer operations. Testing of control software was added as a new capability through the acquisition of Marine Cybernetics.

SOFTWARE

Our wide range of software solutions enables our customers to manage risk, demonstrate compliance with regulatory requirements, improve their return on assets and achieve operational efficiency and business optimization. All in a safe and sustainable way.

SUCCESSFUL INTEGRATION OF PRODUCTS.

The merger of DNV and GL brought together two leading software houses and combined their technical know-how and domain expertise. Our vision is to be the global leader in enterprise software used for managing operational risk and performance. Both legacy DNV and legacy GL had numerous software solutions, some of which were complementary.

While much integration work remains, several software solutions were integrated or discontinued in 2014. One such example was the integration of GL's Galiom product for managing asset integrity risk with DNV's legacy software, Synergi Plant, which has been used by operators of both up-stream

and downstream process plants and offshore platforms worldwide. By combining the best of these two solutions, a new Synergi Plant software was launched.

18% REVENUE GROWTH. Despite operating in challenging markets, DNV GL - Software achieved 18% revenue growth in 2014. External customers accounted for 84% of the revenue, while sales to other DNV GL entities accounted for the remaining 16%.

REVENUE: SOFTWARE'S SHARE OF TOTAL



DNV GL's software solutions are important tools for delivering other DNV GL services, including classification and advisory services for the maritime and offshore industries.

One of the successes in the maritime sector in 2014 was when Maersk Line - the world's largest container shipping company - made a decision to replace multiple in-house applications with DNV GL's ShipManager software on board 250 vessels.

EMPLOYEES: SOFTWARE'S SHARE OF TOTAL



Pacific Basin - owner of the world's largest Handysize fleet - also adopted ShipManager for 100 ships. In the offshore oil and gas sector, our great reputation and good collaboration secured a substantial deal with Eni E&P Italy to extend the use of our software solutions (Sesam, Phast and Maros) in different departments and its associated company Tecnomare.

In the onshore gas sector, Synergi Gas had a breakthrough in the Chinese urban gas pipeline market with Changchun Gas, the largest urban gas pipeline operator in Jilin province. Changchun Gas has approximately 900,000 customers and 3 million end-users. In the petrochemicals sector, Ineos, one of Europe's principal petrochemical producers, has chosen Synergi Plant to help safeguard the integrity of its assets and installations.

18%

growth in revenue in 2014 from our software solutions.

MARINE CYBERNETICS

Marine Cybernetics ensures the proper testing of control systems by verifying correct functionality and robustness according to rules and regulations, functional descriptions, user manuals and intended use. As an independent test provider, one of our key roles is to facilitate dialogue, cooperation and problem solving between all parties involved as well as integration testing across a number of vendors.

STATE-OF-THE-ART TESTING TECHNOLOGY.

In May 2014, Marine Cybernetics became part of DNV GL, enhancing our capabilities for independent software testing and verification. At the heart of modern vessels and rigs lies sophisticated automation systems that are critical for the efficiency of regular operations and the handling of emergency and off-design situations.

Computer control systems run complex software that must be tested to ensure their safety and performance for the full envelope of operation. Marine Cybernetics uses a test technology (Hardware-in-the-Loop) that was well established as best practice in the automotive, avionics and aerospace industries before being introduced to the maritime and offshore industry by Marine Cybernetics' founders in 2002.

HARDWARE-IN-THE-LOOP TESTING. Last year, Marine Cybernetics successfully completed the first-ever third-party Hardware-in-the-Loop (HIL) test of a Managed Pressure Drilling (MPD) control system. The test was conducted at the main office in Trondheim for Statoil and AGR Enhanced Drilling.

This test is a part of Statoil's technology qualification of EC-DRILL, developed by AGR Enhanced Drilling to enable effective drilling of depleted reservoirs and narrow pressure windows.

SUCCESS IN NEW MARKET. 2014 also saw Marine Cybernetics sign its first contract for delivery of Hardware-in-the-Loop (HIL) testing to a total of six mobile drilling unit newbuilds to be hired by Petrobras in Brazil. Marine Cybernetics has for many years actively worked to enter this market, and this marks an important milestone. Petrobras has now introduced a requirement for independent testing of software and control systems on all newly-built drilling rigs to be operated in Brazil.

10,000

findings from our Hardware-in-the-Loop (HIL) testing to date.

OTHER ACHIEVEMENTS IN 2014

150 customer project references

Marine Cybernetics achieved 150 customer project references relating to control-software testing for both vessels and offshore rigs.

Improved customer satisfaction

Since 2012, we have measured customer satisfaction in yearly surveys. The overall customer satisfaction score increased from 69 in 2013 to 73 in 2014. The critical threshold for acceptable customer satisfaction is 70 or above.



INNOVATING FOR A SAFE AND SUSTAINABLE FUTURE

We thrive when our customers expect us to provide them with safer, greener and smarter operations. We feel a special responsibility to develop broad and deep insights into the technical and operational challenges facing our current and future customers and their industries. We do this through an unwavering and passionate commitment to research and innovation.

Almost all the industries we serve are caught in the vice-like grip of lower revenues due to slower economic growth on the one hand, and rising costs and technological complexity in their operations on the other. Consequently, some of our customers have reduced their R&D and technical support budgets recently, despite the urgent need for innovation.

We will, however, continue to invest more than 5% of the annual revenue of our much larger post-merger revenue in research and innovation, including at least one per cent in long-term strategic research. This investment is split across our strong hubs of expertise in Arnhem,

5%

Each year, we invest approximately 5% of the Group's annual revenues in research and innovation.

Athens, Columbus, Hamburg, Houston, London, Milan, Oslo and Singapore – with each centre focused on globally-relevant solutions, standards and practices to drive industry transformation.

Over and above our ongoing investment in research and innovation, we have an ambitious programme of capital investment in our network of high-tech laboratories dedicated to testing, inspection and certification. In March 2014, we opened a new world-class front-end testing and failure investigation laboratory in Singapore. Civil construction work on the EUR 70 million upgrade to our already world-leading High Power Laboratory in Arnhem began in December 2013 and delivery of the various new electrical components started in mid-2014.

We believe our global approach, high research and innovation intensity and investment in our laboratories are crucial to prepare both ourselves and our customers for an increasingly complex and uncertain future.

Challenges related to a changing climate and energy mix will affect all of us, irrespective of business location. The same is true of technology-related changes, which are taking place at an accelerating pace and are influenced by rapid advances in sensor technologies and data analytics.

200

MILLION NOK

The approximate amount we invested in long-term strategic research in 2014.

STRATEGIC RESEARCH. Within our Strategic Research & Innovation group, our primary focus is on new knowledge and technology areas that have a long-term effect on both the industries we serve and our own work and core services. Two broad themes characterize our strategic research agenda: climate and energy mix changes, and connectivity and big data. Several high-level questions arise from these themes. For example, a number of our programmes explore the impact of connectivity on our main industries by seeking answers to questions such as:

- How can better data analytics and modelling improve performance and make operations safer?

- How will the Internet at sea impact shipping and classification?
- How can we apply sensor technology and new materials performance to ensure safe and efficient operations?

On the theme of climate change, our overarching research question concerns how to promote a transformation to a low-carbon future, build resilience and support adaptation to a changing climate.

We believe that a safe and sustainable future is technically possible, in both the short- and long-term. Whether or not we achieve it depends not just on the technologies themselves, but also on how effectively we are able to introduce them at scale, manage the risks they pose and catalyse trust, in a way that generates economic, social and environmental value.

Our research programmes that have been active throughout 2014 include: Maritime Transportation; Information Technology; Oil & Gas; Materials; Healthcare; Power & Electrification; Climate Change (including Low Carbon Future) and Foresight. The Arctic programme, which has long been part of our strategic research portfolio, was moved to the Oil & Gas business area at the end of 2014 – an excellent example of how research and innovation knowledge is built up and then integrated into our operations.

TECHNOLOGY LEADERSHIP. As a knowledge-driven company, we actively nurture and develop the competence of our people and formally encourage curiosity and the

100+

We had more than 100 ongoing joint industry project initiatives in 2014, in which we drove innovation in collaboration with other industry players.

sharing of knowledge across disciplines. We have two main programmes to achieve these goals. The first is an educational programme we run with UC Berkeley called 'Top Tech', which sees 36 of our key technical employees attend the university's courses on cutting-edge aspects of technology and the business environment each year. Altogether, we have had over 250 Top Tech 'graduates' in DNV GL over the last seven years.

The other formal programme, dubbed 'Technology Leadership', sponsors a series of in-house networks of the most talented and knowledgeable experts in our company who collaborate to ensure that we stay at the forefront in selected core disciplines. In 2014, in addition to the existing seven programmes, three technology leadership networks were added: Gas Value Chain, Future Management Systems and Future Transmission & Distribution System Integration.



JOINT INDUSTRY PROJECTS: THE VALUE OF CO-CREATION. The great number and range of our joint industry projects (JIPs) enable us to drive market-relevant innovation initiatives in close cooperation with industry partners. These projects and our ability, helped by our independent stance, will drive innovation across industries to pursue new technology standards and practices. In the oil and gas industry alone, we run more JIPs (over 40 at any one time in 2014) than ever, with a common thread of standardization and efficiency running through most of these collaborative efforts.

Our experts tend to find working on JIPs engaging, as do their counterparts in partner companies. There is never a shortage of ideas for new projects and we apply a rigorous process to select and market-test ideas to prioritize investment in those with the highest industry impact.

OTHER ACHIEVEMENTS IN 2014

■ **Findings from our research programmes.** New position papers were published by our Strategic Research & Innovation unit on: Next generation energy management; Beyond condition monitoring in the maritime industry; Additive manufacturing – a materials perspective; Integrated multiscale modelling of materials; Creating value from subsea processing; Reliability of future power grids; and Mixed methods: improving the assessment of safety culture in hospitals.

■ **Extraordinary innovation.** Each year, our CEO initiates Extraordinary Innovation Programmes that allow international project teams to sketch out new ideas for commercialization within a two-year horizon. The 2014 programmes introduced ideas for: clean and economic re-use of associated gas currently flared in oil production fields; a futuristic FLNG, the 'Solitude'; power frequency optimization for offshore wind-farms; and a win-win business case for powering offshore oil installations with offshore wind.

■ **Strategic partnership.** In August, the United Nations Environmental Programme (UNEP) and DNV GL entered into a strategic partnership through the Climate Technology Centre & Network to improve access to climate-change mitigation and adaptation technologies in developing countries.



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.



OPENING UP A WORLD OF OPPORTUNITIES

Persistently remaining at the forefront of knowledge and innovation enables us to take a leading role in the markets we are in, remain flexible and adapt to changing circumstances. It also enables us to see new opportunities - not only to strengthen our own business, but also to improve our impact on society and the environment. As an organization spending every day providing advice to others, we aim to practice the highest possible standards in our own operations.

Our progress is reported under the following areas:

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

Whereas our greatest impact on sustainability is through the services we provide to customers, we work constantly to improve our own performance to ensure that we operate ethically, responsibly and sustainably; from the way we advance a culture of integrity and ethics in our business relations to the way in which we safeguard 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 organizations to advance broader sustainable-development objectives. Through all our actions, we seek

FIGURE 01 FROM VISION TO IMPACT



to provide long-term value in financial, ethical, social and environmental terms.

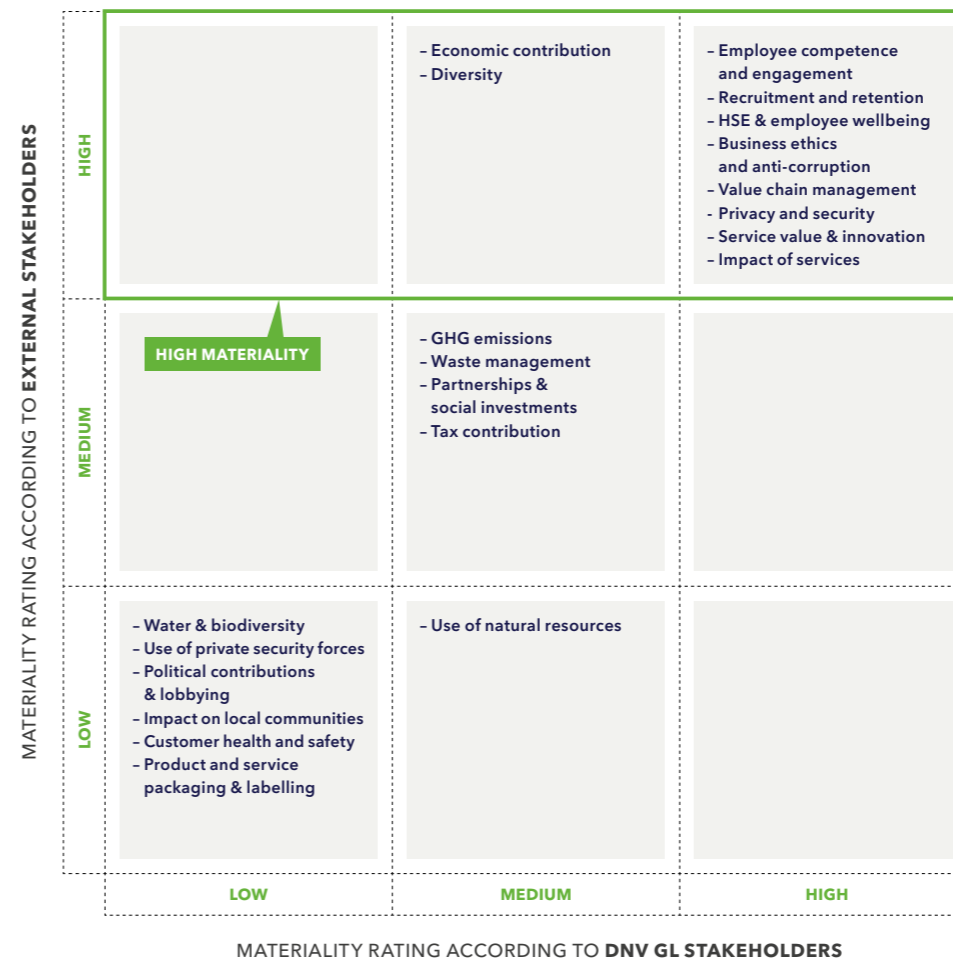
STRATEGY AND GOVERNANCE. DNV GL's Corporate Strategy outlines our commitment to corporate sustainability, and this is translated into concrete and measurable projects and activities to be implemented across the company in the Tactical Plan on Corporate Sustainability. While the responsibility for our sustainability performance lies with the Board of Directors and the Executive Committee, responsibility for implementation lies with the individual operating companies and units.

The DNV GL Corporate Sustainability Board reports to the CEO, oversees sustainability performance across the business and monitors progress towards our objectives. In 2014, the Board was reconfigured to ensure top management representation from the four Business Areas in addition to key Group functions and one employee representative. The Board met twice in 2014.

For more information on how we govern our sustainability performance:

dnvgl.com/about/sustainability/how-we-govern/index.html

FIGURE 02 DNV GL SUSTAINABILITY MATERIALITY MATRIX

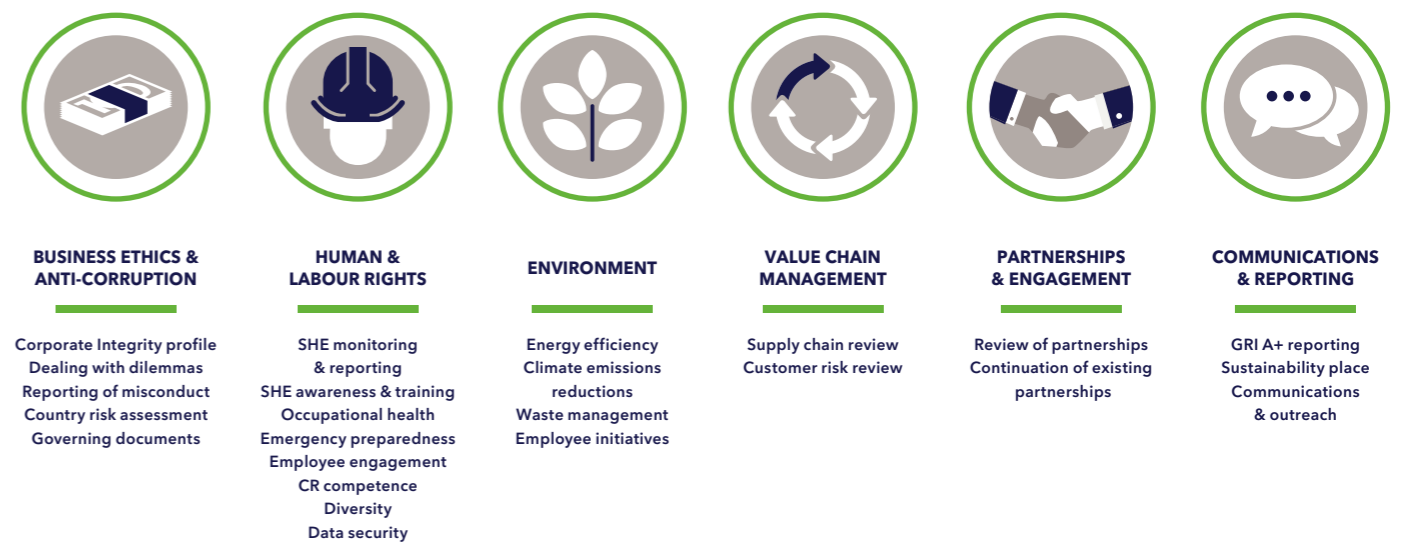


MANAGING KEY IMPACTS. To better understand where we have the greatest impact on sustainability and where we may be exposed to risk, we conducted an extensive materiality assessment of legacy DNV in 2013, and updated the information based on similar yet minor assessment of legacy GL in 2014. The assessment involved more than 50 internal and external stakeholders through in-depth interviews, surveys and workshops. The results from the assessments were combined into the DNV GL Sustainability Materiality Matrix (shown here). The highest priority, for both what we do and what we report on, has been placed on the issues identified as being of high importance to both internal and external stakeholders.

For more details on the materiality assessment process and how we engage our stakeholders:

dnvgl.com/about/sustainability/how-we-report/index.html

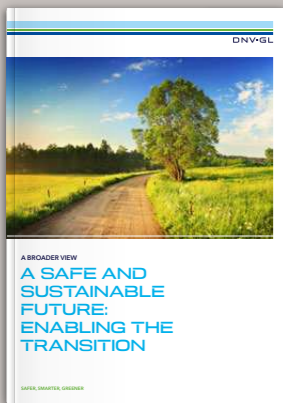
FIGURE 03 2013-2014 DNV GL GROUP CORPORATE SUSTAINABILITY PROGRAMME AND TACTICAL PRIORITIES



PROJECT HIGHLIGHTS

SIX PROJECTS EXPLORING THE FUTURE. The world around us is changing dramatically: The natural environment is deteriorating, economies are stagnating and societies are in turmoil.

We looked at six areas where we believe we can make a difference globally by delineating our vision for a more sustainable future. Six reports were presented at a number of events throughout 2014.

**NEXT – A SAFE AND SUSTAINABLE FUTURE.**

A collection of interviews with inspiring sustainability leaders from business, government and civil society makes up the coffee table book NEXT, launched in April 2014. We asked: What is a safe and sustainable future? And what does the world need to do today to change course? The book has been distributed in over 17,000 copies worldwide, including a version in Chinese. See page 24 and our website for more information on the six projects and NEXT.

ENGAGING EXPERTS ABOUT SUSTAINABILITY CHALLENGES.

For the second year in a row, DNV GL convened a high-level roundtable with leading international sustainability experts from business, government, civil society and academia. The two-day event entitled 'The Road Less Travelled: Pathways to Transformation' aimed at developing a concrete strategy for change towards a more sustainable regenerative economy.

BUILDING A CULTURE OF SUSTAINABILITY AND ETHICS.

A project was launched to update our ethics training programme focused on creating a common understanding of what sustainability is for DNV GL, along with raising important dilemmas that employees might face in their daily work.

GLOBAL OPPORTUNITY NETWORK AND REPORT.

Launched in 2014, the Global Opportunity Network is a joint collaboration between DNV GL, the United Nations Global Compact and the Scandinavian think-tank Monday Morning. The aim is to facilitate a new mindset.

More than 200 experts on five continents attended eight Opportunity Panels to discuss the opportunities that emerge from the five greatest sustainability risks the world is currently facing. Their insights were tested against the opinions of 5,000 private and public sector leaders through an online survey. The output was presented in a Global Opportunity Report, launched in January 2015. Visit globalopportunitynetwork.org for more information.

STEPPING UP OUR REPORTING. In order to build trust among our stakeholders, DNV GL's Executive Committee decided that we shall become a best in class sustainability reporter in accordance with the Global Reporting Initiative (GRI) 'Comprehensive' level. A major effort has taken place throughout 2014 to prepare the organization for the additional reporting requirements. Visit the *Corporate Sustainability section of our website at dnvgl.com/sustainability* for more information.

GROUP PERFORMANCE

SAFETY

30%



decrease in lost time accidents compared to 2013, down to 1.4 per million hours worked.

DIVERSITY

22%



of managers in DNV GL are female, while the proportion of female employees was 31% at year end.

CODE OF CONDUCT TRAINING

1,200

people completed training in anti-corruption in 2014, representing 67% of new employees.

PEOPLE ENGAGEMENT SURVEY RESULTS

13,500

people, of our almost 16,000 employees, responded that 'DNV GL's Purpose, Vision and Values are important to me'.

SIX STRATEGIC PROJECTS FOR THE FUTURE

14,000

people were presented with key findings, including highlights of our roadmap to a safe and sustainable future.

SIX-WORD CHALLENGE

1,225



people thought about what our vision 'a safe and sustainable future' means for them as we challenged them to formulate their own version in just six words. They were collected at events and on social media.

SUSTAINABILITY REPORTING FROM BUSINESS AREAS



MARITIME

The Maritime business area has focused on 'Environment' and the principles 8 and 9 of the UN Global Compact. In 2014, we have continued to develop and promote services related to fuel efficiency for ships.

The services span from fuel-efficient design of hull and machinery to operational measures like trim optimization, weather routing, optimal speed and optimization of the fuel consumption of machinery.

We have also continued to promote LNG as fuel for ships as an intermediate solution before more climate-friendly energy sources are made available. We have provided both foresight and insight reports on energy sources like use of electric power from batteries as well as biofuels to customers and other stakeholders like authorities in different countries.

We promote environmental-friendly behaviour in our employee base by supporting use of public transport, for example the use of trains where possible instead of flying. We have environment-related targets and accounting systems, especially for energy usage in offices and control and reduction of all kinds of waste.



OIL & GAS

The oil and gas industry has the opportunity to play an important role in a sustainable energy portfolio. We engage with the industry to define short term concrete measures of energy efficiency, use of renewables and reduced emissions from, for example, gas flaring.

In addition to developing standards and best practices, we provide foresight in long-term technology and policy developments, needed to enhance the sector's environmental performance.

We also reinforce our commitment to responsible industry practice by ensuring a transparent and non-discriminatory approach to recruitment. All vacant positions are clearly defined within a common recruitment tool securing that our adherence to UN principles is implemented consistently across the world.

We also kept business compliance in sharp focus. During 2014, a number of cases with potential grey zones and areas of difficulty as to corruption were discussed, reviewed and concluded on senior management level. An online training module on this topic will be launched to all employees in 2015.



ENERGY

Shale gas in the US, cheap coal in Europe, geo-political and national uncertainties put pressure on the global investment in renewable energy sources in 2014 jeopardizing a fast transition towards a low carbon economy.

Through its expertise and services in wind, solar, energy storage, power grids and energy efficiency, DNV GL actively contributes to a cleaner, affordable and reliable energy system, fit for future generations.

To further drive sustainability internally, HSE audits and awareness activities for health and safety were conducted, contributing to increased HSE consciousness among management and employees.

Preparations started for new Energy headquarters in a BREEAM certified building to be opened in 2015. We increased external promotion of sustainability practices through David Walker's participation in the Energy Board of the WBCSD. Community engagement has been put on the agenda through an agreement with the Netherlands Red Cross.



BUSINESS ASSURANCE

Building on a platform of 'Sustainability in Everything We do', we work every day to build and offer a service portfolio of certification, verification, assessment and training services that help companies build sustainable business performance.

In 2014, we implemented the evolution of Risk Based Certification™, our proprietary audit methodology for management system certification. Next Generation Risk Based Certification helps companies use their management systems to operate more sustainably by taking stakeholder expectations into account and expanding their scope of risk to include external influences.

Recent assurance service developments address water and supply chain management.

We also actively engage in standards development, partnerships to drive improvement and share knowledge around how businesses can work to build sustainable business performance. We have an obligation and strong commitment to build knowledge and contribute to solutions that can help companies operate more sustainably.

BUILDING A CULTURE OF INTEGRITY

'We never compromise on quality or integrity' is one of our values and our leading principle for fostering a common culture of integrity across all operations. For this reason, DNV GL has a zero-tolerance policy for corruption and unethical behaviour for all employees, subcontractors and agents.

HIGHLIGHTS

■ **LAUNCH OF NEW COMPLIANCE PROGRAMME.** Our new compliance programme is based on the criteria of the new ISO standard 19600 for the establishment of an effective and responsive compliance management system. The programme is based on the action areas prevention, detection and reaction.

■ **ESTABLISHMENT OF E-LEARNING MODULES.** Two e-learning modules were developed and launched in 2014. One training module was based on the new Code of Conduct to enable our employees

to carry out their duties in an ethical and responsible manner. This training will help them recognize the importance of the topics addressed in the Code of Conduct and acknowledge their personal responsibility to follow it. The employees are trained to make the right decisions in ethical and compliance matters. They also have to confirm that they have read and understood the Code of Conduct.

The second training module provides insight into the definition of corruption and anti-trust, so that our employees are aware of possible risks, how to identify critical

situations and how to deal with them. Both modules include sections on the process of reporting misconduct.

■ **FINALIZATION OF KEY GOVERNING DOCUMENTS.** In 2014, we finalized all key governing documents related to compliance. In addition to the compliance policy, they included instructions on anti-corruption; the acceptance or granting of gifts, entertainments, travel or other benefits; anti-trust; and reporting of misconduct.

67%

of new employees completed the anti-corruption and anti-trust training.

32

compliance cases were reported in 2014.

10

risks related to fraud and corruption were identified as part of our regular risk management process.

1

OUR AMBITIONS

We want to ensure that our value 'We never compromise on quality or integrity' is adhered to wherever we do business.

2

WHAT WE SAID WE WOULD DO

- Improve the job description for investigators and clarify who to report to in cases of fraud and corruption.
- Develop and implement a deployment plan to improve new and existing employees' understanding of fraud and corruption risks.
- Incorporate compliance, fraud and corruption factors in business reviews.
- Develop a fraud and corruption case register.
- Review external corporate governance requirements.
- Review 'most corrupt countries'.
- Evaluate access to information.
- Develop fraud and corruption training for controllers.

3

WHERE WE ARE TODAY

(RESULTS)

- New compliance programme set up.
- All key instructions are in place.
- Extensive communication to reach everyone in DNV GL.
- Rolled out training modules 1 and 2 on Code of Conduct, Anti-Corruption and Anti-Trust.
- A review of fraud and corruption risks has been included in the regular risk process through adding a separate risk category for bribery and fraud in our company risk tool.

4

WHAT WE PLAN TO DO NEXT

(GOALS, PLANS, TARGETS FOR 2015)

- Prepare regional instructions and guidelines.
- Improve the risk management process related to fraud and corruption risks.
- Strengthen the compliance network and increase communication measures.
- Introduce express learning modules on specific topics, such as reporting of misconduct.
- Initiate an annual management review of the compliance programme in order to evaluate the effectiveness of the management approach.
- Develop audit questions on compliance with the Internal Audit.
- Communicate on integrity to business partners.

WHY IS THIS IMPORTANT?



GLOBAL REPORTING INITIATIVE - MATERIAL ASPECTS COVERED:

- Anti-corruption
- Anti-competitive behaviour
- Customer privacy

Our policy is to be compliant with all applicable laws, including anti-corruption and privacy legislation at all times in order to: **1)** mitigate identified business risks **2)** improve business

performance **3)** build trust amongst our employees, customers and other key stakeholders.

We have defined compliance as impeccable legal and ethical conduct by all employees in their daily work. We do not tolerate any violation of applicable laws, our Code of Conduct or internal regulations.

To help our managers to meet this responsibility, a compliance programme has been set up, focusing on integrity in business dealings, anti-corruption, commitment to fair competition, upholding of trade laws and privacy law.

Governing documents: in addition to developing key global instructions, we started to develop additional measures at local and regional level in 2014. The Code of Conduct was also translated for those countries where legal requirements make it necessary.

A first local guideline on the handling of gifts in Greater China was implemented and further regional guidelines will be developed in 2015.

The existing global instructions on purchasing and subcontracting were reviewed, taking the specific needs of the operation into account. The revised versions will be published in early 2015. Communication measures relating to business partners will then be initiated.

TRAINING. Since employees in legacy DNV and legacy GL had received extensive training through mandatory e-learning modules on the Code of Conduct and anti-corruption, the new training modules on the Code of Conduct and anti-corruption/anti-trust were made mandatory for new employees only. The training has to be completed within the first six months after joining DNV GL.

The statistics in *table 01* also include those employees who joined the company in the second half of 2014 and were therefore not obliged to finalize the training until the end of the year.

It is also mandatory for new employees

“ AT DNV GL WE STRIVE TO TAKE BUSINESS ETHICS FROM LEARNED BEHAVIOR TO HABIT, AND LET THIS HABIT BECOME OUR SECOND NATURE.

THOMAS VOGTH-ERIKSEN
CFO

to attend the classroom training ‘We in DNV GL’ as part of their onboarding programme. This course includes an introduction to the compliance programme.

The new e-learning modules will become mandatory for all employees in DNV GL in 2015.

Several additional training sessions relating to the compliance programme and anti-corruption were held for line management teams across business areas in Dubai, Singapore, Kuala Lumpur and Shanghai. The line managers were instructed to cascade the information to their staff. In 2014, the compliance programme was on the agenda at some Country Chair meetings where all business areas were represented. This will continue in 2015. A separate workshop took place with the Global Shared Services team focusing on areas related to HR, IT and Finance.

RISK ASSESSMENT TO IDENTIFY FRAUD AND CORRUPTION. The identification and assessment of fraud and corruption risks was facilitated within the regular risk management process. Our risk management tool included 10 identified risks related to fraud and corruption. Business Assurance identified two risks, Oil & Gas three, Energy two, Global Shared Services one, and Maritime two risks in relation to fraud and corruption.

The existing risk management process was modified to achieve a higher level of transparency. In addition, we started to identify countries with a high risk of fraud and corruption. The countries were ranked by revenue and their score in Transparency International’s corruption perception index. This process will be finalized in the first half of 2015.

In the light of the above, we reviewed the recruitment process as to the need for background checks of candidates using a sanctions-check tool for high-risk countries.

FOCUS ON COMMUNICATION. We believe that communication is key to establishing a successful compliance programme which is endorsed by everyone in DNV GL. This communication must be channelled through the top management and line management in order to show their commitment to our programme. The Compliance Officer presented the compliance programme to, and discussed the programme with,

all governing body members, which are the Board of Directors, the Board Audit Committee and the Executive Committee. The Executive Leadership Teams in all business areas, the global top 100+ managers and the Country Chairs (representing all countries DNV GL operates in) have also all received training.

We established worldwide compliance networks, consisting of all Country Chairs and business-nominated employees. Their role is to actively raise awareness of compliance issues in their respective countries and to help communicate the compliance programme.

All Country Chairs were introduced to the programme.

REPORTING ON INCIDENTS. We adjusted the instructions on the reporting of misconduct in regard to the new compliance programme and the new organizational set-up. This was done to clearly show which cases have to be reported through the designated channels. The cases are filed in a case register and reported to the Board of Directors (Audit Committee) and the Group CEO. In order to ensure the anonymous reporting of incidents or concerns, we set up a helpline and appointed internal and external Ombudsmen.

Furthermore, we implemented a process to handle investigations and the roles and responsibilities of internal and external resources. We also introduced a case report template for use by line managers to ensure the proper handling and filing of cases. There were no confirmed incidents of corruption in 2014.

“ DOING THE RIGHT THING GOES BEYOND COMPLYING WITH LAWS AND REGULATIONS.

HENRIK O. MADSEN
PRESIDENT & CEO

For more info on our code of conduct and ethics policies:

dnvgl.com/about/sustainability/anti-corruption/index.html

TABLE 01 COMPLETION RATES OF MODULE 1 AND MODULE 2 PER BUSINESS AREA OF ALL NEW EMPLOYEES IN 2014

	Code of Conduct course	Anti-corruption & anti-trust training
Business Assurance	48%	46%
Energy	76%	72%
Maritime	82%	83%
Oil & Gas	70%	67%
Software	77%	73%
Global Shared Services	57%	53%
Group functions	67%	56%
Grand total	70%	67%

Completion rate considers new employees in DNV GL in 2014. That includes employees who are not yet obliged to undergo the training due to a six-month completion time frame.

TABLE 02 COMPLIANCE CASES

Case type	New cases in 2014
Labour related*	6
Allegations	18
Data Protection	1
Ethical helpline	1
Others	6
Total	32

* Five of the labour-law cases were closed in 2014. None of the reported cases were related to discrimination or sexual harassment. Furthermore, two cases from previous periods were ongoing in 2014. One of them was resolved.

CASE



THE FIRST YEAR OF A COMMON COMPLIANCE PROGRAMME

INTERVIEW WITH GESA HEINACHER-LINDEMANN, GROUP COMPLIANCE OFFICER

WHAT ARE THE BENEFITS OF A NEW COMPLIANCE PROGRAMME FOR DNV GL?

It combines the best of both legacy organizations. It reflects the latest developments in how a compliance programme has to be set-up. The discussions we have had in workshops and classroom training about a common integrity level will help us obtain a common understanding of ethical behaviour within our organization.

HOW DO WE BEST GET OUR PEOPLE TO CARE ABOUT ETHICAL BEHAVIOUR AND COMPLIANCE?

Experience shows that the background and benefit of a compliance programme is manifold. It is very effective to have a direct dialogue in workshops and classroom training and to use dilemma training and realistic cases and scenarios.

But we must also live our values, and that starts by recruiting the right people with the right mindset. And then we need to keep up our communication efforts. We can never communicate this enough.

WHAT ARE THE CHALLENGES?

Establishing a common integrity culture while addressing the different aspects of our different cultures is, of course, a challenge. The culture, values and ways to behave differ from country to country, but all this needs to be at a level that we are comfortable with. The cultural aspects are very important to me and alignment with local needs is both fascinating and challenging. I very much appreciate the discussions I have with employees on these aspects.

INTEGRATING PEOPLE THROUGH COMMON PROCESSES

As a knowledge company, we aim to develop the competence of our employees, safeguard their well-being and create a workplace that is attractive and challenging and where people are motivated to fulfil our Purpose and Vision and live our Values. With the closing of the merger in September 2013, the continued integration of employees in DNV GL remained a priority in 2014. Employees were brought together through common systems, training, processes and offices to work towards achieving common business objectives.

HIGHLIGHTS

IMPROVING PERFORMANCE.

Good progress was made in terms of implementing the managing individual performance (MIP) process, the career model, and harmonized compensation and benefits across the DNV GL Group. The MIP process was completed for 87% of employees in 2014, exceeding the target of 80%. Integration of employees was also supported through internal communication, common onboarding training for new hires and common leadership training for managers.

FACILITATING KNOWLEDGE EXCHANGE.

A number of exchange programmes were conducted to facilitate competence development and knowledge sharing in the

organization. Two-year-long and short-term exchanges for Maritime technical employees were established between Hamburg and Høvik. The 'Knowledge Booster' programme received extra funding to increase and stimulate knowledge development and sharing across units and geographies within Oil & Gas and Maritime. We also established a buddy programme to connect colleagues based on common areas of interest.

OFFICE MERGERS. The merging of legacy DNV and legacy GL offices is progressing according to plan and was 83% complete by the year-end. The total number of offices has been reduced by 139. A further 28 office mergers will take place in 2015.

When the process is complete, DNV GL will have the industry's densest global network, with 353 offices in 90 countries.

STABLE EMPLOYEE NUMBERS.

There is no indication that employee turnover has increased or that exit reasons have changed significantly as a consequence of the merger and integration process. Overall voluntary turnover for the year was 7%. At the year-end, the total number of permanent (class A) employees was 15,159. The largest countries in terms of number of permanent employees are Norway (2,756), Germany (1,906), the US (1,839), the UK (1,441) and China (1,048).

93%
of employees say: 'DNV GL's Purpose, Vision and Values are important to me'.

119
nationalities are represented among our employees, the largest nationality being Norwegians (14%).

17.2
was the average number of hours of formal classroom training per employee in 2014.

1

OUR AMBITIONS

■ Our strategic People goal is 'to develop highly competent, high performing and engaged people who are committed to our Purpose, Vision and Values'.

■ A career in DNV GL should not be hindered by age, nationality or gender if the employee has the competence, attitude and values needed for the role.

■ DNV GL strives to have a consistent, transparent and market-relevant compensation and benefit framework that supports the organization's need for flexibility with respect to tasks, work location and career opportunities.

2

WHAT WE SAID WE WOULD DO

■ Harmonize compensation and benefits according to group-wide principles to ensure that the composition of compensation and benefits is aligned across DNV GL.

■ Implement the global career model to facilitate employees' competence development, as well as transfers between business areas, units, roles, services and geographies.

■ Implement the Managing Individual Performance (MIP) process and tool across the organization.

■ Drive aligned leadership based on the Expectations to Leaders.

3

WHERE WE ARE TODAY

(RESULTS)

■ All countries, with the exception of the Netherlands (scheduled for 1 April 2015) and Germany (in progress), implemented harmonized compensation and benefits frameworks on 1 January 2015.

■ The MIP process was completed for 87% of employees in 2014, exceeding the Group KPI of 80%.

■ 448 managers participated in one of the four 'Journey' Leadership Development programmes, almost twice as many as in 2013.

4

WHAT WE PLAN TO DO NEXT

(GOALS, PLANS, TARGETS FOR 2015)

■ Strengthen the safety culture in DNV GL through the 2015 Safety Culture initiative.

■ Improve the quality of the performance management process and dialogues. The Group-wide HR Key Performance Indicator is to improve the quality of key performance management aspects by 3%.

■ Continue to implement common HR processes: define and align the succession management process; roll out the common salary adjustment and promotion process; and support the implementation of workforce planning and flexibility.

WHY IS THIS IMPORTANT?



GLOBAL REPORTING INITIATIVE - MATERIAL ASPECTS COVERED:

- Employment
- Labour/management relations
- Training & education
- Diversity & equal opportunity
- Equal remuneration for women & men
- Non-discrimination
- Labour practices grievance mechanisms

Our role as a supplier of services and source of expertise relies upon the knowledge, skills and attitudes of our people. Therefore, our policies and processes must support the careers and development of highly competent, high performing and engaged people who are committed to our Purpose, Vision and Values.

The past year was exciting and challenging for many of our employees. We celebrated the 150th anniversary of our company with customers, stakeholders and employees around the world. This was an excellent opportunity to reflect on our proud history, as well as to look ahead in terms of our role in making our customers and industries safer, smarter and greener. We also achieved the milestone of the first year of joint operations in DNV GL. The integration process continued to demand a high workload for many parts of the organization. Nevertheless, employee engagement remains high.

EMPLOYEE ENGAGEMENT AND ENABLEMENT.

In 2014, our people were brought together through common systems, processes and offices to work towards achieving common business objectives. In addition, we established a customized 'buddy' programme to connect employees from different legacy organizations based on their interests. More than 3,500 user profiles have been created in the programme.

DNV GL continues to use the People Engagement Process to measure employee engagement and enablement and iden-

TABLE 03 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE BY GENDER

Internal and external training for DNV GL employees by gender	Number of trained employees	Total hours	Average hours
Female	1 951	36 400	18.66
External	333	5 162	15.50
Internal	1 618	31 238	19.31
Male	8 390	147 897	17.63
External	820	12 094	14.75
Internal	7 570	135 803	17.94

tify aspects of the work environment that should be addressed by management at all levels. In 2014, the People Engagement Process was implemented for all employees the DNV GL Group. The annual survey was conducted in September and 92.3% of employees gave their opinions on working in the company. Approximately 1,900 reports were distributed to individual units and management teams as a tool for identifying issues in the work environment that should be addressed.

Compared to survey company Hay Group's reference group of high-performing companies, DNV GL's overall results are above average. The topics scoring most above other high performing companies relate to development opportunities. The two individual questions with the most favourable responses were: 'DNV GL's Purpose, Vision and Values are important to me' (93% favourable); and the merger-related question, 'I am committed to working towards the future success of the DNV GL Group' (91% favourable).

AREAS TO IMPROVE. The survey highlighted some areas to improve, including ensuring that employees understand the relationship between their individual goals, unit goals and the overall DNV GL strategy, and that they receive regular feedback from their managers. To address this, there will be a Group-wide HR KPI in 2015 on improving key performance management aspects by 3%.

More work will also be carried out to ensure that all DNV GL staff have a clear line-of-sight between their personal goals and the Group strategy, starting with the sharing of the new Group Strategy 2016-2020 with all employees once it is finalized in the summer of 2015. In addition, local managers are expected to take action on local issues highlighted in the local survey results.

The 'temperature check' surveys that were initiated with the announcement of the merger were continued and followed up during the first two-thirds of 2014 to assess employee perceptions of the merger and merger-related communication. In general, the results were quite positive, reflecting a strong commitment to make the merger a success.

DIVERSITY SOUGHT AFTER. DNV GL strives for the diversity of the workforce to be reflected at all management levels. The proportion of female employees was 31% at the year-end, and the proportion of female managers is now 22%. We will continue to conduct mentoring programmes and have senior managers located outside of headquarters to gain better knowledge of local communities and employees. The make-up of the total manager pool must show year-on-year improvement towards reflecting the composition of the DNV GL workforce.

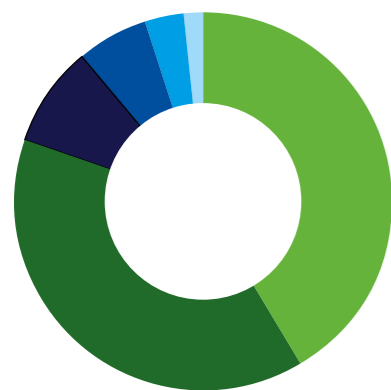
“ I'M VERY PLEASED TO SEE THE ANNUAL ENGAGEMENT SURVEY'S POSITIVE RESULTS AND HIGH RESPONSE RATES THROUGHOUT THE ORGANIZATION. THIS IS ESPECIALLY IMPRESSIVE CONSIDERING THE AMOUNT OF INTEGRATION ACTIVITIES AND TOUGHER MARKET CONDITIONS WE HAVE FACED DURING THE PAST YEAR.

CECILIE B. HEUCH
GROUP CHIEF HR OFFICER

For more info on our people policies:

dnvgl.com/about/sustainability/people/index.html

FIGURE 04 EMPLOYEES, LEVEL OF EDUCATION



Master	42%
Bachelor	39%
Basic education	9%
Doctorate	6%
2-year college	3%
Technical / professional	1%
Sum: Bachelor, Master or PhD level degree	87%

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

CASE

GLOBAL PRINCIPLES - LOCAL IMPLEMENTATION HARMONIZATION OF COMPENSATION AND BENEFITS AROUND THE WORLD

A natural and important step in establishing DNV GL is to implement common HR principles and processes. By implementing a common framework aligned with Group-wide principles in each country, we ensure that the compensation and benefits are aligned across DNV GL.

SUPPORTING INTEGRATION. The harmonization of the compensation and benefit framework is closely connected to other HR processes and is a vital part of the integration process for a number of reasons:

- It removes barriers for employees to take on new career opportunities within DNV GL.
- It increases transparency and simplicity related to compensation and benefits.
- It significantly reduces the future administrative burden of handling different compensation and benefits systems.

- It is a key enabler for legal entities to merge.
- It is a key element in building a common DNV GL culture.

DEVELOPMENT OF LOCAL HARMONIZATION PLANS. Global principles, based on our company Values and People Policy, were established for aligning compensation and benefits. These were the basis for the harmonization in each country.

Subsequently, all compensation and benefits data were collected and analysed to find differences between the legacy companies' terms and conditions in each country. In parallel, all legacy GL employees were assigned a grade and track in the DNV GL Career Model. Based on this analysis, harmonization scenarios were developed to identify and document various roadmaps and establish a common compensation and benefits framework in each country.

Next, harmonization plans were proposed for each country based on the assessment of alternative scenarios. All plans and data were assessed and quality assured before the preparation of new individual total compensation statements for those employees affected by the harmonization.

IMPLEMENTATION. All countries, with the exception of the Netherlands (scheduled for 1 April 2015) and Germany (in progress), implemented the new compensation and benefits frameworks on 1 January 2015. The group-wide principles are applied consistently in all countries, though the structure of allowances and benefits differs based on local legislation and labour markets.

GLOBAL IMPLEMENTATION

99.6%

70 countries, covering 99.6% of employees, have updated Personnel Administrative Guidelines as a result of the compensation and benefits harmonization. Approximately 10,000 employees will have an updated total compensation package as a result of the harmonization.

MANAGING OUR HEALTH AND SAFETY PERFORMANCE

Taking care of the health and safety of our people is a responsibility we take seriously. It is embedded in our values and in our purpose of safeguarding life, property and the environment. In 2014, our greatest effort was to create common management systems, processes and training to support this goal.

HIGHLIGHTS

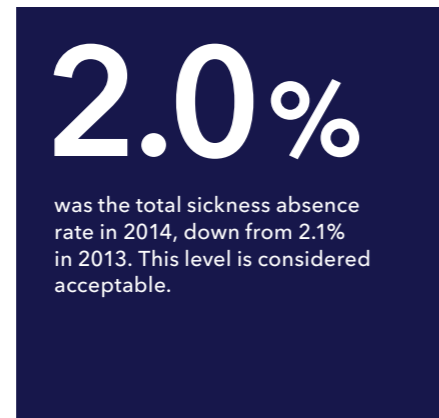
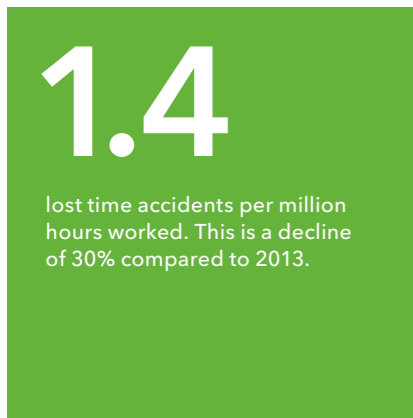
■ **RECERTIFIED TO THE OHSAS 18001 STANDARD.** Introducing a common occupational health and safety standard for the newly merged DNV GL group was a key priority. Our main initiative in 2014 was to establish a common occupational health and safety management system. DNV GL was recertified to the OHSAS 18001 standard by an external certification body.

■ **APPLYING OUR OWN SOFTWARE.** For reporting and managing incidents and hazards, we rolled out the software solution Synergilife, developed by DNV GL - Software. This includes the use of a mobile app for immediate reporting following an occurrence.

■ **HSE TRAINING.** Safety training for all new employees and three HSE culture-building courses for managers and HSE professionals were conducted in 2014.

■ **POSITIVE ATTITUDE.** The results of our annual survey among employees reveal a positive attitude towards safety, and 90% stated they had received adequate safety training and equipment.

■ **CRISIS MANAGEMENT TRAINING.** 10 crisis management exercises were conducted at group level, involving all levels of the organization.



1

OUR AMBITIONS

- DNV GL is committed to managing and continually improving its occupational health and safety performance with the overall goal of preventing injury and occupational disease.
- Develop and implement occupational health and safety plans to deliver continual improvement in HSE performance.
- Treat incidents and hazards and feedback from employees and customers as an important learning opportunity.

2

WHAT WE SAID WE WOULD DO

- Define and implement a common occupational health and safety management system for the merged DNV GL group.
- Increase the number of reported incidents and hazards per employee so we can look at trends and identify actions to mitigate risks.
- Ensure that all business areas in DNV GL set goals and implement actions to decrease their lost time accident frequency.
- Implement the revised DNV GL group crisis management procedures.

3

WHERE WE ARE TODAY

(RESULTS)

- The common occupational health and safety management system was ready in early 2014. Extensive training in the HSE tools and processes has been performed.
- 2,313 work-related incidents and hazards were reported for 2014, representing 0.15 reports per employee, an increase of 36% from 2013. This reporting ratio is still considered to be too low.
- All business areas have contributed to the satisfactory decrease in the Lost Time Accident Frequency. Two business areas have developed practical Personal Safety Handbooks. A cross organizational project team has been established to develop common safety training modules for field and laboratory activities.
- Crisis management plans and procedures have been developed at country level. The group crisis management team performed a total of 10 crisis exercises in 2014.

4

WHAT WE PLAN TO DO NEXT

(GOALS, PLANS, TARGETS FOR 2015)

- In 2015, the key focus is to strengthen the overall safety culture across the entire organization. A global initiative has been launched to start the process.
- A successful implementation of the initiative will result in a positive safety culture where all employees take responsibility for their own and other people's safety and health and where this is part of everyday work.
- Alignment and re-design of the global HSE training portfolio based on results from the safety culture initiative.
- Sustain the emergency preparedness level with the continuation of crisis management exercises.

WHY IS THIS IMPORTANT?



GLOBAL REPORTING INITIATIVE - MATERIAL ASPECTS COVERED:

- Occupational health and safety

Our employees are DNV GL's most valuable asset, and health and safety performance is an essential measure of our duty of care. We are committed to managing and continually improving our occupational health and

safety performance with the overall goals of preventing injury and occupational disease.

With one-third of all our employees performing work at shipyards and vessels, factories, offshore rigs, wind turbines and other installations, we are exposed to health and safety risks across our operations worldwide. Stress is also a risk we encounter.

DNV GL has as its core business to enable its customers to improve safety. We must apply best practice in our own organization.

Occupational health and safety are high on DNV GL's agenda. In 2014, we established a common management and reporting system. With many different reporting practices and systems from the legacy companies, this was in itself a major achievement.

INCIDENTS AND HAZARDS. 2,313 work-related incidents and hazards were reported in 2014. This represents 0.15 reports per employee and is an increase of 36% from 2013. Of the reported incidents and hazards, 35% were assessed as having medium and high loss potential. There is still a need for increased awareness of how important reported incidents and hazards are for improving occupational health and safety performance. *Figure 05* shows how incidents and hazards are distributed by work processes.

157 occupational health issues were reported in 2014. The most common causes were 'overstrain, exertion or repetitive strain' (57%), and 'exposure to too high or low temperatures, or inadequate lighting or air quality' (15%).

LOST TIME ACCIDENTS. Lost time accidents per million worked hours decreased by 30% compared to 2013. There have been 716 days of absences due to accidents. The Severity Accident Index increased by 71% compared to 2013. This significant increase is partly due to one serious HUET (Helicopter under water escape training)



SARAH GRØNDAHL
HEAD OF GROUP HSE

accident and one serious car accident, but is also affected by improved control of recording of the absence hours related to accidents. The most common types of lost time injuries were 'fractured bones, sprains and strains' (38%), and 'bruises, contusions and cuts' (34%).

OCCUPATIONAL HEALTH ISSUES. The number of occupational health issues leading to absences was 1.0 per million worked hours in 2014, the same as in 2013. There have been 384 days absences due to occupational health issues. The number of days absence due to occupational health issues per million worked hours has increased to 13.5 in 2014, up from 9.5 in 2013. The majority of the absence hours due to occupational health issues were related to office work (51%), surveys and inspections (21%), and travelling (17%).

66% of the absence hours due to occupational health issues were related to physical work environment conditions and 34% to psychosocial work environment conditions.

INVOLVING EMPLOYEES. To ensure that employees' opinions are heard, local occupational health and safety evaluations are held annually throughout the organization. The objective of these events is to improve occupational health and safety awareness through involving employees in identifying occupational health and safety improvement initiatives. About 82% of employees participated in local health and safety evaluations in 2014.

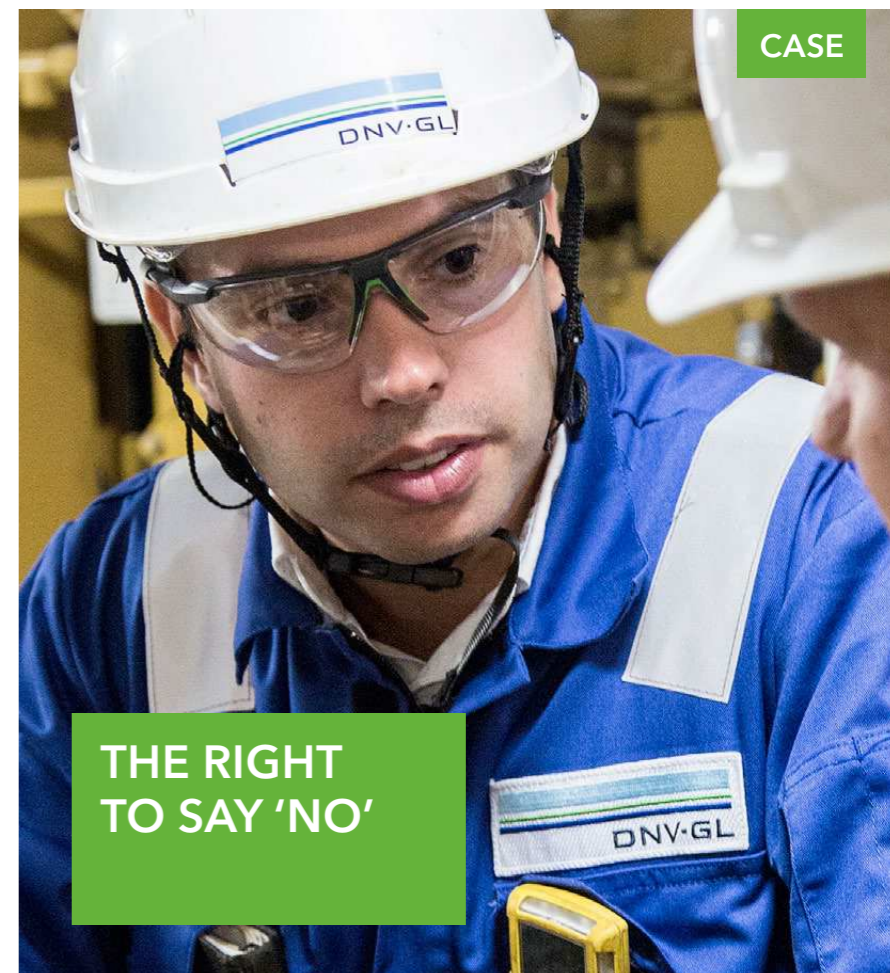
In addition, formal occupational health and safety committees are established in 16 countries, either as a consequence of local legal requirements or because the usefulness of such committees has been identified internally. At year end 2014, 54% of the workforce were represented in formal joint management-worker health and safety committees.

A FATAL ACCIDENT AT DNV GL'S HEAD OFFICE, HØVIK. On 11 August 2014, a fatal accident occurred at DNV GL's head office. The injured person was an employee of an external company, and the accident occurred when two employees from the company were to repair a broken roller gate. The external company was contracted in by Coor Service Management, a subcontractor under DNV Eiendom, which is responsible for all maintenance of the buildings at the Høvik headquarters. The formal investigation of the accident revealed that all the direct causes of the accident were related to the external company's HSE management system. DNV GL has however investigated indirect causes of the accident and how internal procedures could have reduced or eliminated the risk of the accident occurring. Important learnings are captured and will be implemented in our contractor safety programme.

POSITIVE HEALTH AND SAFETY ATTITUDE. In our annual People Engagement Survey, 90% of all employees responded positively to the question: 'I have been provided with relevant safety training and personal protective equipment for my job' and 85% responded positively to the question: 'My line manager always promote safety first'. While these are important safety components, we are striving to continuously improve our safety culture. That is why in 2015 we have a programme to strengthen our attitudes, beliefs and behaviour related to both health and safety across every area of our business.

IMPROVED TRAINING. The focus on HSE competence and awareness training continued in 2014. All new employees are required to complete HSE induction training within the first two weeks of working for DNV GL. In addition, the business areas develop and maintain safety training to ensure implementation of their safety instructions through adequate knowledge of safe behaviour among field workers. This safety training includes both theoretical and practical modules as relevant. Three HSE culture building courses for managers and HSE professionals were conducted in 2014.

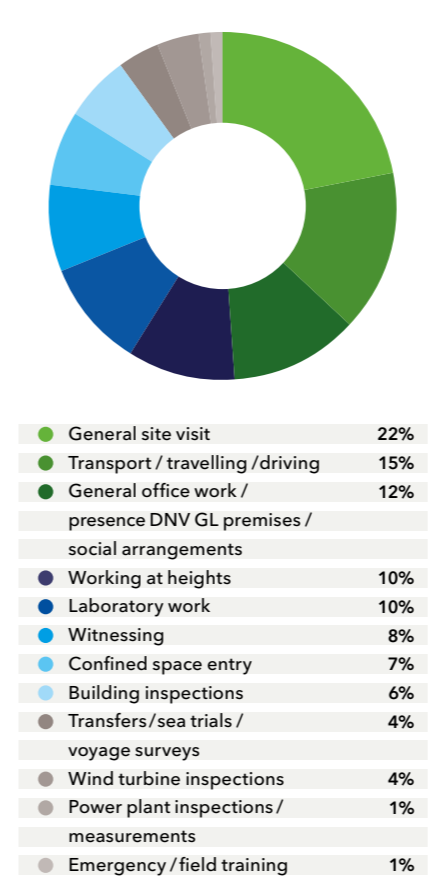
IMPROVED CRISIS PREPAREDNESS. Following the review of the DNV GL crisis management protocol and plan components in 2013, the members of the group crisis management team participated in altogether 10 crisis exercises in 2014. DNV GL's own Emergency Response Service unit planned and conducted these exercises and ensured that interfaces with country level crisis teams were integrated in the exercise. Teams from Chile, Singapore, Korea, Brazil and Germany participated in scenarios that included hurricanes, helicopter crashes, tsunamis and fire on an oil rig.



CASE

THE RIGHT TO SAY 'NO'

FIGURE 05 INCIDENTS AND HAZARDS WITH HIGH LOSS POTENTIAL DISTRIBUTED ON WORK PROCESSES



The backbone of DNV GL's occupational health and safety management system is that all employees are fully aware of their right to say 'No' when they do not consider the situation to be safe.

Our employees feel confident and empowered to stop work and to intervene when they encounter inappropriate behaviour or unacceptable working conditions.

Every year there are several cases where DNV GL surveyors have to refuse to perform work until a satisfactory safety standard is established. Here are some examples from 2014;

■ A surveyor was requested to attend a survey at an outside anchorage. The owner was advised that the survey could not be carried out as the location was not suitable for transfer from the launch boat to the vessel. The case was escalated through management, who continued to support the decision of the local DNV GL office not to perform the survey as requested. Eventually, a solution was reached for

the surveyor to attend when the vessel entered the inner anchorage. When the surveyor performed the survey at inner anchorage, the master told him that a welder who did board at the outer anchorage broke his leg as the conditions were challenging during the transfer.

■ During an inclination test on a vessel, inspection of all tanks and spaces was required to ensure they were empty. The vessel's crew opened all the manholes and within five minutes the DNV GL surveyors were called to inspect inside the tanks. No gas meter readings were taken, and no ventilation was put in place. Checklist for Safe Entry into Confined Spaces was used and entry was refused by the surveyor.

■ A DNV GL engineer was asked to inspect 31 machines at a wind farm, and found unsafe access up to the nacelle in the wind turbines. The inspection was suspended, followed by a meeting with the customer's management. After the inadequate safety condition was explained, actions were taken by the customer, the safety standard brought to an acceptable level and the inspection continued.

TABLE 04 HEALTH AND SAFETY INCIDENTS STATISTICS

	2010 ¹	2011 ¹	2012 ¹	2013 ¹	2014
Fatal accidents	0	0	0	0	0
Lost Time Accidents (LTA)	39	32	30	38	41
Injury accidents	108	101	102	124	221
Occupational health issues, with absence	13	17	17	19	29
Near accidents	202	246	244	284	492
Lost Time Accident Frequency (LTAF) ²	2.5	2.0	1.9	2.0	1.4
Severity Accident Index (SAI) (days) ²	28.8	25.2	39.0	14.7	25.2
Injury Accident Frequency (IAF) ²	6.8	6.4	6.3	6.6	7.8
Total sickness absence rate (%)	2.2	2.4	2.2	2.1	2.0

1 The years 2010 through to and including 2013 include DNV legacy only.
2 Per million hours worked by employees on permanent and long-term contracts.

Lost Time Accident (LTA): Accident resulting in injury to people and work absence of >= 8 hours
Occupational Health Issue (OHI): Work environment conditions (including psychosocial work environment and musculoskeletal load) where exposure over a period of time results in illness to people, or a normal work activity resulting in illness to people.
Injury Accident (IA): Accident resulting in injury to people and work absence of < 8 hours
Total sickness absence rate (%): ((Accident+Sickness absence hours)/(Number of worked hours)*100
Minor (first-aid level) injuries are included in the statistical data.

ALIGNING OUR EFFORTS FOR THE ENVIRONMENT

A fundamental part of our purpose and vision is to have a positive impact on the environment through the services we provide. We also continuously work to manage and reduce the environmental footprint of our own operations and the personal footprint of our employees. Implementing a common environmental management system was an important achievement in 2014.

HIGHLIGHTS

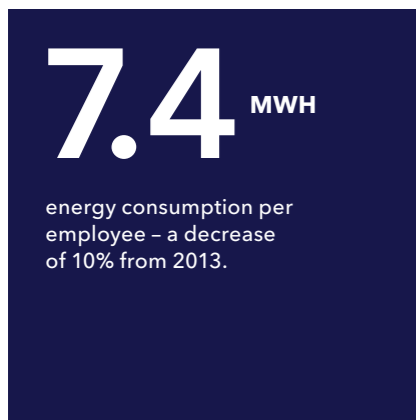
■ **IMPLEMENTING A COMMON ENVIRONMENTAL STANDARD.** A main activity in 2014 was to establish a common environmental management system for the merged DNV GL group.

■ **RECERTIFIED TO THE ISO 14001 STANDARD.** It was an important milestone to obtain recertification of our environmental management system to the ISO 14001 standard by an external certification body.

■ **SIGNIFICANT INCREASE IN REPORTED WASTE.** The increase was due to an improved reporting process, an increased number of laboratory activities reporting for the first time and the removal of 165 m³ of contaminated soil

■ **MOVING INTO ENVIRONMENTALLY FRIENDLY BUILDINGS.** DNV GL moved into LEED-certified buildings in Russia and Italy and a building with green marked platinum standard in Singapore.

■ **NOK 40 MILLION TO REDUCE PERSONAL FOOTPRINT.** For the seventh year running, the 'WE do' programme rewarded employees for reducing their personal environmental footprints. 5,500 applications were received and NOK 40 million was reimbursed to employees.



1

OUR AMBITIONS

- DNV GL is committed to managing and continually improving its environmental performance with the overall goal to protect the environment.
- We aim to foster a culture where we take responsibility for our environmental performance through the impact of our services, of our operations and of our employees' personal behaviour.

2

WHAT WE SAID WE WOULD DO

- Implement a common environmental tool at all office locations, test sites and laboratories subject to the mandatory reporting requirement.
- Define and implement a common environmental management system for the merged DNV GL group.

3

WHERE WE ARE TODAY (RESULTS)

- The common environmental management system for the merged DNV GL group was ready and documented early in 2014. To facilitate the implementation of the system in the merged organization, extensive training in environmental management tools and processes has been performed during the year.
- 77 of the 82 locations that were required to report environmental performance used the common tool in their annual environmental reporting.

4

WHAT WE PLAN TO DO NEXT (GOALS, PLANS, TARGETS FOR 2015)

- Increase the focus on environmental management, in particular in relation to test sites and laboratories.
- Improve the quality of the environmental reporting process to ensure reliable data.

WHY IS THIS IMPORTANT?



GLOBAL REPORTING INITIATIVE – MATERIAL ASPECTS COVERED:

Environmental impact was assessed to be of medium importance by our stakeholders (see the Sustainability Materiality Matrix on page 51).

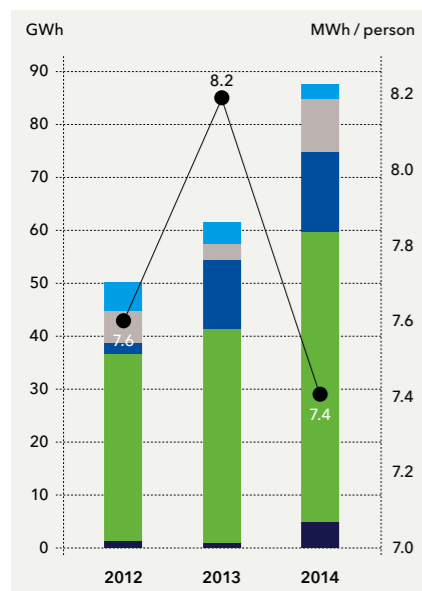
As a global organization, we are committed to do our part to tackle some of the world's greatest environmental challenges and reduce the environmental impact of our operations. Safeguarding the environment is part of our purpose and a key aspect of our service offering is to help our customers improve their environmental impact.

All employees need to be involved in improving our environmental performance. That is why DNV GL complies with the ISO 14001 standard for environmental management systems and is certified by TÜV Rheinland Cert. GmbH. This ensures that we have a common approach, processes and systems for managing our environmental performance throughout the company. Our annual environmental reporting is mandatory for all locations with 40 or more employees and for all laboratories and test sites. A few locations have either reported only energy consumption or generated waste. Figures for 2012 and 2013 only include DNV legacy.

ENERGY CONSUMPTION. A total of 77 locations, representing 76% of employees, reported their energy consumption in 2014. Five locations with more than 40 employees were not included in the energy consumption statistics due to problems encountered with the data collection.

The total reported energy consumption for 2014 was 87.5 GWh (figure 06). Of that, 23.4 GWh was consumed by locations that did not participate in the environmental reporting for 2013. Locations that reported energy consumption in 2013 but not in 2014 account for 0.3 GWh. In sum, the locations that reported for both years experienced

FIGURE 06 ENERGY CONSUMPTION IN THE REPORTING LOCATIONS



Renewable electricity off-site covers renewable electricity from the grid that has been ordered specifically by the locations. Electricity off-site covers all other electricity from the grid, general electricity from the grid delivered when no action has been taken to select the source of energy desired.

“OUR WE DO PROGRAMME IS A UNIQUE WAY OF HELPING OUR EMPLOYEES TO REDUCE THEIR PERSONAL ENVIRONMENTAL FOOTPRINT.”

HENRIK O. MADSEN
PRESIDENT & CEO

an increase in the reported energy consumption of approximately 4.8% compared to 2013. There is an increase in district heating from external suppliers of 422% compared to 2013. This is mainly due to reporting from locations that did not report last year.

The renewable energy on-site has decreased to 2.9 GWh, down 29% compared to 2013. This is due to changes the use of the heat pump at Høvik, which was earlier used both for heating and cooling, but which is now only used to produce heat. Water for cooling is now pumped directly from the sea.

The specific energy consumption decreased to about 7.4 MWh per person in 2014 - down 10% from 8.2 MWh per person in 2013. This decrease is affected by an improved energy measuring process for one large location that reported too high figures in 2013, energy saving initiatives at several locations and underreporting by some of the locations that are reporting for the first time.

EMISSIONS TO AIR FROM OPERATIONS AT DNV GL'S LOCATIONS. The emissions of CO₂ equivalents at the reporting locations in 2014 were 26,336 tonnes, of which about 6,196 tonnes were from locations that reported for the first time. Locations reporting both in 2013 and 2014 showed an increase in CO₂ emissions of about 57% compared with 2013.

This is a result of an increase in reported energy consumption in countries with relatively high emissions from electricity production, emissions from the use of 202 kg of sulphur hexafluoride (SF₆) gas corresponding to 4,484 tonnes of CO₂ equivalents and emissions from the direct release of natural gas equal to 74 tonnes of CO₂ equivalents.

The SF₆ gas is used at our test sites to test customers' objects and in auxiliary breakers. Emissions result from both test failures of the customers' objects and the handling of the SF₆ gas. The emission of this substance is 0.56% of the total usage of SF₆ gas at our premises.

The specific CO₂ emissions of all the reporting locations increased to 2.2 tonnes of CO₂ per person in 2014, up 22% compared to 2013. The CO₂ emission per person in 2014 from energy consumption at the reporting locations was 1.8 tonnes, the same as for 2013. Estimated emissions of NO_x increased by 13% compared to 2013 due to increased gas combustion.

CO₂ EMISSIONS FROM AIR TRAVEL. DNV GL has implemented a common global tool accounting for mileage and CO₂ emissions related to business flights. Air travel is an integral part of our work, so the intention is not to stop travelling, but rather to increase employees' awareness of their travel footprint. The reported CO₂ emissions from business air travel decreased to 0.92 tonnes per employee in 2014, down from 1.15 tonnes in 2013. This decrease is assumed mainly to reflect underreporting due to delays in implementing the recording system in the merged organization.

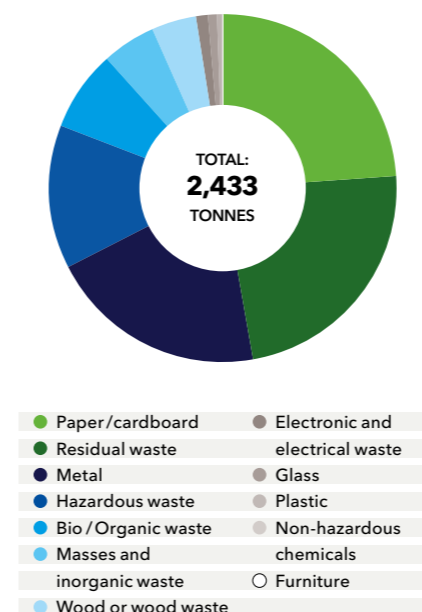
WASTE. 68 locations comprising 11,140 employees reported generated waste in 2014. The amount of waste generated at the reporting locations in 2014 was 2,433.1 tonnes - an increase of 53%. Most of this significant increase is related to metal waste from the power testing laboratories in Chalfont (US) and Arnhem (the Netherlands) where the process for reporting waste has been improved. This metal waste is from customers' equipment that has been burnt up or exploded during testing.

The specific waste generation at all the reporting locations increased to 218 kg per person in 2014, up 54% from 2013. This is partly due to the increase in reported metal waste, waste intensive testing and laboratory activities at several of the locations and the removal of 165 m³ of contaminated soil calculated to weigh 287.7 tonnes.

Hazardous waste increased to 326.7 tonnes in 2014 from 22.2 tonnes in 2013. This significant increase is mainly due to the contaminated soil resulting from the uncontrolled release of oil at Groningen. Between 500 and 1,000 litres of oil were released onto a non-impervious surface. An impervious concrete surface is to be installed over the decontaminated area and technical and procedural measures will be taken to prevent recurrence. The spill was reported to the local authorities, who were satisfied regarding the action taken and took no enforcement action.

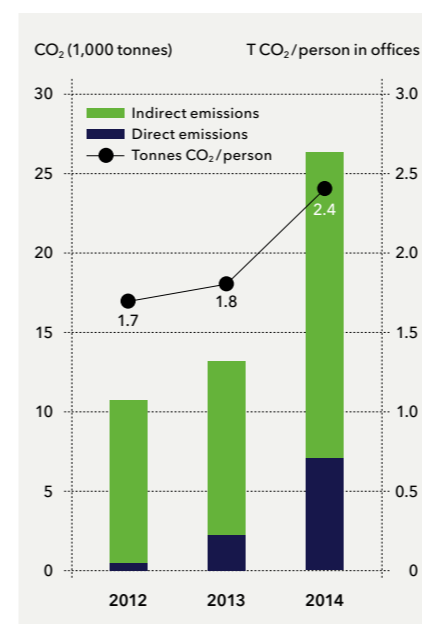
Hazardous waste is disposed of by authorized handlers. For 99.3% of the waste, the disposal method determination is based on information provided by the waste disposal contractors.

FIGURE 07 REPORTED WASTE PER TYPE OF WASTE



'WE DO' PROGRAMME. Our WE Do Programme to help employees contribute towards reducing their personal environmental footprint was continued and NOK 40 million was paid out. Permanent employees can 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. The most popular items on the approved list of projects were 'Low energy appliance' and 'bicycle to work'.

FIGURE 08 EMISSIONS OF CO₂ FROM THE REPORTING LOCATIONS



CASE

ENVIRONMENTALLY FRIENDLY IT AND OFFICE BUILDINGS

Server space, smart IT solutions and green office buildings have been targeted to reduce our environmental impact.

IT AND ENVIRONMENTAL IMPACT. Information Technology is an important tool for reducing the environmental footprint.

The main contribution to reducing power consumption in our IT infrastructure comes from increased virtualization of servers, energy reduction in the Global Data Centres and the increased use of flash disks. During 2014, we reached close to 80% virtualization of servers in the Data Centres and terminated a significant number of physical servers.

Collaborative tools such as search technologies, collaboration spaces, video streaming facilities and an internal social media solution enable employees to share knowledge and access our global pool of expertise across our global network of offices.

Our IT platform and collaboration tools are also helping the merged organization to operate as one company and are essential for the utilization of shared competence across geographies, while at the same time reducing the need to travel. High-end video conferencing surpassed 40,000 meeting hours in 2014 and shows a steady increase from 34,000 hours in 2013.

MOVING INTO LEED-CERTIFIED BUILDINGS IN RUSSIA AND ITALY. Leadership in Energy & Environmental Design (LEED) is a green building-certification programme that recognizes best-in-class building strategies and practices. In June, DNV GL's staff in St. Petersburg moved into the first LEED-certified commercial office building in Russia. In October, employees in Milan moved into new offices in the Vimercate Energy Park.

The Energy Park obtained the first Green Building Council PLATINUM-Level LEED certification in Italy. Optimization of water resources, use of wood from certified sources, enhanced flexibility in the management of the thermal control system and optimization of natural light are just some design characteristics implemented in the offices in order to guarantee employees a comfortable and environmentally friendly working environment.

GREENMARK FOR DNV GL'S NEW FACILITIES IN SINGAPORE. The DNV GL Technology Centre in Singapore achieved the Greenmark Platinum Standard awarded by the Building and Construction Authority Singapore. The DNV GL Singapore Laboratory achieved Greenmark Gold Standard. The Greenmark assessment criteria cover energy efficiency, water efficiency, environmental protection, indoor environmental quality and other green features and innovations.

LIVING THE VALUES IN OUR VALUE CHAIN

At DNV GL, we extend our commitment to sustainable business practices to our value chain. As part of our corporate sustainability strategy, we are stepping up our efforts to communicate expectations, monitor performance and improve the social, environmental and economic impact of our business partners globally. We do this not only to reduce risks, but also because we believe sustainable value chain management can be a strong driver of value and success - for business and for society.

WHY IS THIS IMPORTANT?



The DNV GL Sustainability Materiality Matrix (see page 51) identifies sustainable supply chain management as being of high importance to our internal and external stakeholders.

GLOBAL REPORTING INITIATIVE - MATERIAL ASPECTS COVERED:

- Supplier Environmental Assessment
- Supplier Assessment of Labour Practices
- Supplier Human Rights Assessment
- Supplier Assessment of Impact on Society

With several thousand suppliers and close to 80,000 customers worldwide and in many different industries and geographies, DNV GL faces significant risk in terms of human rights, labour standards, environmental performance and anti-corruption. However, for us, sustainable value chain management is also a driver of business opportunity. We believe principled sustainable business is key to commercial success, and it is therefore important to us to work with suppliers and customers that share our values and commitment to corporate sustainability.

SUSTAINABLE PROCUREMENT

In living up to our vision of global impact for a safe and sustainable future, we have to ensure a positive impact on both our customers and suppliers. Our obvious impact is on our customers through the services we deliver, but we recognize that we also impact sustainability through the goods and services we buy.

The corporate sustainability principles to which DNV GL is committed also extend to our relationships with suppliers, sub-contractors, contractors and agents. DNV GL communicates its sustainability expectations to suppliers, and evaluates and monitors suppliers' corporate sustainability behaviour and performance.

Our Supplier Code of Conduct outlines our expectations as to suppliers, and is aligned with recognised international standards for supply chain management, including the 10 UN Global Compact principles in the areas of human rights,

labour standards, environmental performance and anti-corruption.

According to the Group Purchasing Instructions, signing the Code is mandatory for suppliers with contracts above NOK 50,000 (part of the complete binding contract). The instructions require suppliers to be screened according to a standard screening checklist and, if serious violations are found, they can be excluded from the DNV GL supplier registry. If exposure to risk is identified, local units will engage with the supplier to improve practices.

1

OUR AMBITIONS

■ Our ambition is to positively influence the sustainability performance of our partners in our value chain, and thereby to h practices around the world.

■ To this end, we aim to develop a global procurement system which enables us to effectively communicate our expectations to our suppliers world-wide.

2

WHAT WE SAID WE WOULD DO

■ Implement a system in DNV GL for systematically assessing, monitoring and mitigating sustainability risks in our supply chain.

■ Establish a project to review the extent to which DNV GL faces unacceptable sustainability risks associated with our customers.

3

WHERE WE ARE TODAY

(RESULTS)

■ The assessment of current procurement practices has been completed and recommendations have been presented to the Sustainability Board and CEO.

■ A plan on how to incorporate recommendations to strengthen sustainable procurement has been established, to be executed in 2015.

■ Because the new procurement system is not yet in place, we were not able to monitor and report in a centralised way on how many suppliers were screened in 2014 according to the criteria in the Supplier Code of Conduct. Consequently, we are not able to report the impact of our supply chain for 2014.

4

WHAT WE PLAN TO DO NEXT

(GOALS, PLANS, TARGETS FOR 2015)

■ Update key governance documents and embed new procedures in the management system.

■ Implement the roll-out of the plan for new policies and procedures, including screening of suppliers' performance based on the criteria set out in the Supplier Code of Conduct.

■ The system for monitoring and following up on these issues in our supply chain will be incorporated in our new financial /procurement system, to be launched in 2015.

HIGHLIGHTS OF ACTIVITIES

In 2014, a major effort was launched to centralize procurement in DNV GL. Global procurement functions have been established, and a project was created to establish a more systematic approach to the management of sustainability risks and opportunities in the DNV GL supply chain. The work is the result of cooperation between various group functions, including Global Procurement, Group Sustainability, Compliance and HSE.

Throughout 2014, the focus was on mapping current procurement practices in DNV GL against best practice for sustainable procurement. Based on this exercise, we have identified key strengths, improvement areas and recommended actions. The recommendations were approved by the Corporate Sustainability Board in November 2014.

RECORDED INCIDENTS

Currently, we do not have a good system in place to record our suppliers' statistics. However, we experienced a fatal accident involving one of our suppliers at our corporate head office in Norway. See page 64 for more details.

ASSESSING CUSTOMER RISK - 'ARE ALL CUSTOMERS GOOD CUSTOMERS?'

In 2014, a project group was established to start assessing DNV GL's downstream value chain responsibility and to consider to what extent the company faces unacceptable sustainability-related risks associated with any customer groups.

The group comprised representatives of several functions, including Finance & Legal, Group Sustainability, Research & Innovation as well as representatives from business areas.

The project was established specifically because of a concern raised by the World Health Organisation (WHO) regarding DNV GL's commercial relations with companies in the tobacco industry. WHO has a policy of avoiding relationships with enterprises whose activities are incompatible with its work, of WHO, such as tobacco and arms industries (WHO Guidelines on Working with the Private Sector). This policy may have consequences for DNV GL's healthcare business.

The project group reviewed international standards and policies, including the UN Global Compact guidelines on the tobacco industry and the Norwegian Government Pension Fund Global policy. It also reviewed our current contracts with the industry and found some contracts of a limited nature in DNV GL - Business Assurance. A total of 68 certificates were issued to tobacco companies in 2014.

Because of requirements from accreditation bodies not to discriminate sectors that are legal, it is difficult to exclude tobacco companies from DNV GL's customer portfolio.

The issue was raised during the Corporate Sustainability Board meeting in November 2014, and the Board concluded that DNV GL is to continue working with companies from this sector. We will review dilemmas from business units related to potentially unsuitable customers on an ongoing basis.

INNOVATION THROUGH COLLABORATION

Collaboration is a robust way to overcome challenges in any field. Through actively partnering with other organizations we identify complex sustainability challenges and co-create innovative solutions. This section outlines how we have engaged with selected partners in the sustainability sphere.

UNITED NATIONS GLOBAL COMPACT



We are a signatory to the United Nations Global Compact since 2003 and work to integrate the Global Compact principles on human rights, labour standards, environmental management and anti-corruption into our business strategy, management system, culture and day-to-day operations. We actively engage in activities like the Global Compact Caring for Climate, and in networks like the Global Compact Nordic Network – a forum for exchanging best practices on the advancement of Global Compact principles in the Nordic region.

KEY ACTIVITIES

In 2014, we strengthened our relationship with the UN Global Compact in various ways:

- We base our corporate sustainability strategy and tactical priorities on the Global Compact framework.
- We actively use UN Global Compact tools and resources to improve our internal best practices. An example is how we use Global Compact guidance to improve the sustainability performance of our supply chain.

“ BOTH DNV GL AND WWF ARE COMMITTED TO SOLVING GLOBAL ENVIRONMENTAL CHALLENGES, ARE INNOVATIVE AND OPERATE WITHIN LONG-TERM TIME FRAMES. THROUGH OUR CO-OPERATION, WE WANT TO CONTRIBUTE TO A SAFER AND MORE SUSTAINABLE FUTURE.

FOR WWF, IT IS IMPORTANT TO BE A 'CRITICAL FRIEND' THAT MAKES SURE DNV GL IS REALLY MOVING IN A MORE SUSTAINABLE DIRECTION.

NINA JENSEN
GENERAL SECRETARY,
WWF NORWAY

- We actively engaged with Executive Director Georg Kell in our Sustainability Roundtable in June to identify pathways towards a regenerative economy.
- We participated in conferences and events, such as the Private Sector forum and Climate Summit in New York in September.
- We launched an ambitious project in collaboration with the UN Global Compact to assess their impact in their 15 years of existence and to provide recommendations for how they can achieve their vision.

WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT



Our membership of the WBCSD provides a platform for our advocacy of more responsible business practices globally. We actively participate in WBCSD initiatives such as the 16-member Climate and Energy Cluster Board, where the focus is on the Road to Paris: Business Solutions and Technologies towards a Low Carbon Economy. Our President and CEO, Henrik O. Madsen, is Co-Chair of the Vision 2050 Action 2020 project.

KEY ACTIVITIES

In 2014, the CEO of DNV GL Energy, David Walker, became a member of the WBCSD Climate and Energy Cluster Board where we participate in the following business solutions:

- Resilience in global supply chains
- Electrifying cities towards zero emissions
- Carbon capture, utilization and storage
- Scaling up renewables
- Redefining value

We also participate in Action 2020 Business Solutions:

- Human rights working group

RED CROSS



In 2014, we celebrated the tenth anniversary of our strategic partnership with the Norwegian Red Cross. We support global Red Cross projects financially as well as providing our professional services pro-bono in human aid work. In total, we donate NOK 2.5–3 million annually. Water and sanitation being an acute worldwide issue, DNV GL decided to put this at the very centre of the partnership.

KEY ACTIVITIES

PROJECTS SUPPORTED

CHINA: Supported water and sanitation for 61 homes in Yanbian Prefecture, Jilin Province with 250 KNOK.
VIETNAM: Supported water and sanitation projects in Lao Cai province with 250 KNOK. 56 households and one school benefited.
PHILIPPINES: Donated 200 KNOK toward a project to rebuild 800 homes with latrines on the island of Samar in the Philippines, after Typhoon Haiyan destroyed the area.
STRATEGIC PARTNERSHIP: The Red Cross acted as a sounding board on our Innovation Project Aqua Recovery and Global Opportunity Report.

PEOPLE INVOLVEMENT

NORWAY: Our people are involved in volunteering to provide literacy help and ensure equal opportunities and in fundraising.
VIETNAM: Employees support Red Cross initiatives with personal funds and time to help improve agriculture/hygiene/education.

EXTRAORDINARY DONATIONS

Donation campaigns by employees toward Ebola (matched by DNV GL), the Balkans' floods and Water for life totalled 150 KNOK. In connection with the 150th anniversary, a rescue vessel worth 11 million NOK was donated to the Norwegian Red Cross (Tjøme and Hvasser).

PARTNERSHIP WITH THE NETHERLANDS RED CROSS

Signed in 2014, this partnership agreement has three elements:

- Financial aid following natural disasters.
- Disaster Relief Partner Programme – fund raising by employees following selected disasters.
- First aid course offered by Red Cross to all employees in the Netherlands.

WORLD WILDLIFE FUND



In 2012, we launched a three-year partnership with WWF, the world's leading conservation organization. The aim of the agreement is to strengthen the ability of both organizations to work towards a greener society through the sustainable use and management of natural resources.

KEY ACTIVITIES

We collaborate with the WWF in four specific areas:

- sustainable shipping
- a low-carbon society
- assurance
- sustainability standards and the Arctic

We have also asked WWF to provide advice as a 'critical friend' in internal discussions on some projects like the Aqua Recovery project and the Global Opportunity Network.

SUSTAINIA



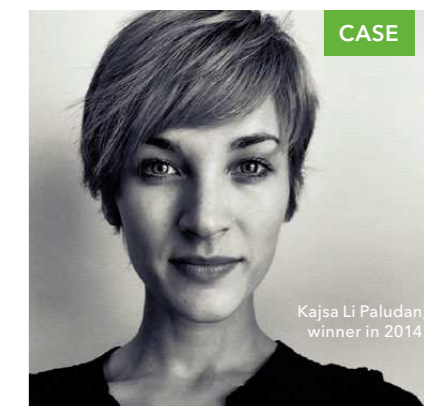
DNV GL is one of the founding partners of Sustainia, a sustainability initiative working to scale the deployment of innovative solutions. Together, we have co-created publications and projects that have identified 2,000+ solutions, technologies and innovations from 150 countries and provided solid proof of the positive environmental, economic and social impact of implementing sustainability in both the public and private sectors.

KEY ACTIVITIES

■ **SUSTAINIA 100 SOLUTIONS.** We hosted the launch of Sustainia's annual guide on 100 available solutions with positive impacts and the potential to scale called Sustainia100 on 16 June 2014. The 100 solutions were identified among 900+ submissions from more than 144 countries.

■ **CO-CREATING FOR A SUSTAINABLE AND HEALTHY FUTURE.** DNV GL and Sustainia explored the link between sustainability and health with the Guide to Co-Creating Health and Person-Centred Care. This laid the grounds for an ongoing series of workshops in eight countries.

■ **GLOBAL OPPORTUNITY REPORT.** Identifying how global sustainability challenges and risks can be seen as opportunities – an open innovation platform called the Global Opportunity Network, where stakeholders worldwide can explore and capture sustainability opportunities and solutions. The Report is a collaboration between DNV GL, the UN Global Compact, the Monday Morning Global Institute and Sustainia.



CASE

Kajsa Li Paludan,
winner in 2014.

SOCIAL MEDIA CAMPAIGN:

FUTURE SUSTAINABILITY LEADER

FOR THE SECOND YEAR in a row, we worked with Sustainia to run an innovative social media campaign to identify future sustainability leaders for our Sustainability Roundtable in June. The campaign ran on Twitter and Facebook for two weeks in May 2014. The goal was to find a fresh mind who has taken inspiring action for sustainability, and who is young, vocal and passionately engaged in the fight against climate change.

WE RECEIVED 40 NOMINATIONS from around the globe pointing in the direction of new and upcoming voices. After carrying out additional research in the field, Kajsa Li Paludan was named our *Future Sustainability Leader for 2014* for her work co-founding and driving *Cultura21 Nordic & Cultura21 International* as well as her general public commitment to the agenda. The announcement took place at DNV GL's 150th Jubilee in Høvik, 14 June 2014. Earlier winners include Alec Loorz and Grace Muthoni Mwaura who have gone on to make a mark in their chosen sustainability fields.

Our total monetary contribution to voluntary initiatives in 2014:
17 MNOK



HOW WE PERFORM

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



AMOUNTS IN NOK MILLION	2014 IFRS	2013 ¹ IFRS	2012 ² NGAAP	2011 ² NGAAP	2010 ² NGAAP
INCOME STATEMENT					
Operating revenue	21 623	15 234	12 532	10 156	9 792
EBITDA	2 551	1 807	1 238	1 271	1 010
Depreciation	348	271	201	150	155
EBITA	2 203	1 535	1 037	1 122	855
Amortization	592	203	179	64	44
EBIT/Operating profit	1 612	1 332	858	1 058	810
Net financial income (expenses)	70	(14)	38	32	19
Profit before tax	1 681	1 318	896	1 091	829
Profit for the year	1 007	825	579	763	552
BALANCE SHEET					
Non-current assets	15 447	14 135	3 462	2 438	2 327
Current assets	12 930	11 395	6 160	6 347	5 310
Total assets	28 377	25 530	9 622	8 785	7 637
Equity	16 496	15 561	4 937	4 922	5 058
Non-current liabilities	4 939	4 232	1 333	1 212	338
Current liabilities	6 942	5 736	3 352	2 651	2 241

DEFINITION OF RATIOS

Profitability

EBITDA:
Earnings before interest, tax, depreciation and amortization

EBITDA margin:
 $\text{EBITDA} \times 100 / \text{Operating revenue}$

EBITA:
Earnings before interest, tax and amortization

EBITA margin:
 $\text{EBITA} \times 100 / \text{Operating revenue}$

Operating margin:
 $\text{Operating profit} \times 100 / \text{Operating revenue}$

Pre-tax profit margin:
 $\text{Profit before tax} \times 100 / \text{Operating revenue}$

Net profit margin:
 $\text{Profit for the year} \times 100 / \text{Operating revenue}$

Liquidity

Cash flow:
Net change in liquidity from cash flow statement

Liquidity reserves:
Cash and bank deposits

Leverage

Equity ratio:
 $\text{Equity} \times 100 / \text{Total assets}$

AMOUNTS IN NOK MILLION	2014 IFRS	2013 ¹ IFRS	2012 ² NGAAP	2011 ² NGAAP	2010 ² NGAAP
CASH FLOW ITEMS, WORKING					
CAPITAL AND INVESTMENTS					
Purchase of tangible fixed assets	583	450	236	132	169
Working capital	5 988	5 659	2 808	3 696	3 069
Cash flow	57	(570)	(927)	781	396
NUMBER OF EMPLOYEES					
	15 712	16 107	10 294	8 453	8 440
FINANCIAL RATIOS					
PROFITABILITY					
EBITDA margin	11.8%	11.9%	9.9%	12.5%	10.3%
EBITA margin	10.2%	10.1%	8.3%	11.0%	8.7%
EBIT / Operating margin	7.5%	8.7%	6.8%	10.4%	8.3%
Pre-tax profit margin	7.8%	8.7%	7.2%	10.7%	8.5%
Net profit margin	4.7%	5.4%	4.6%	7.5%	5.6%
LIQUIDITY					
Liquidity reserves	3 978	3 875	1 774	2 874	2 092
LEVERAGE					
Equity ratio	58.1%	61.0%	51.3%	56.0%	66.2%

1) GL SE Group figures included for the period 1 October–31 December 2013.

2) Key figures for the years 2010–2011 are in line with financial figures as presented in the audited financial accounts of Det Norske Veritas Group AS for these years. Key figures for 2012 (NGAAP) have been restated to reflect the demerger of DNV Petroleum Services and the real estate companies in Norway (effective 1 Jan. 2013).

CONSOLIDATED INCOME STATEMENT

DNV GL GROUP AS		AMOUNTS IN NOK MILLION		DNV GL GROUP AS – GROUP	
2014	2013		NOTE	2014	2013 ¹
		OPERATING REVENUE			
13.3	0.0	Sales revenue		21 622.8	15 234.1
13.3	0.0	Total operating revenue	5	21 622.8	15 234.1
		OPERATING EXPENSES			
0.0	0.0	Payroll expenses	6,8,9	11 597.5	8 446.3
0.0	0.0	Depreciation	15	348.4	271.3
0.0	0.0	Amortization and impairment	13,14	591.5	203.0
15.1	100.1	Other operating expenses	7,8	7 473.8	4 981.0
(1.8)	(100.1)	Operating profit (loss)		1 611.5	1 332.4
		FINANCIAL INCOME AND EXPENSES			
0.0	0.0	Income / (loss) from associates	16	22.8	(5.5)
182.0	18.6	Other financial income	10	175.1	60.7
(209.8)	(10.3)	Financial expenses	10	(128.0)	(69.2)
(27.8)	8.3	Net financial income (expenses)		69.9	(14.1)
(29.7)	(91.8)	Profit (loss) before tax		1 681.5	1 318.3
8.4	(0.4)	Tax expense	12	(674.4)	(493.0)
(21.2)	(92.2)	Profit (loss) for the year		1 007.1	825.3
		PROFIT FOR THE PERIOD ATTRIBUTABLE TO:			
		Non-controlling interest		8.2	2.6
		Equity holders of the parent		998.9	822.8
		Total		1 007.1	825.3

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DNV GL GROUP AS		AMOUNTS IN NOK MILLION		DNV GL GROUP AS – GROUP	
2014	2013			2014	2013 ¹
(21.2)	(92.2)	Profit (loss) for the year		1 007.1	825.3
		<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
		Actuarial gains/(losses) on defined benefit pension plans		(920.2)	99.4
		<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>			
		Currency translation differences / Translation differences foreign operations		1 707.0	1 075.2
		Gain/loss on hedge of net investments in foreign operations		0.0	(198.2)
		Share of other comprehensive income from associates		(29.4)	0.0
0.0	0.0	Other comprehensive income for the period, net of tax		757.3	976.4
(21.2)	(92.2)	Total comprehensive income for the period		1 764.4	1 801.7
		TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
		Non-controlling interest		8.2	2.6
		Equity holders of the parent		1 756.2	1 799.2
		Total		1 764.4	1 801.7

CONSOLIDATED BALANCE SHEET

DNV GL GROUP AS AMOUNTS IN NOK MILLION

DNV GL GROUP AS – GROUP

31 DEC. 2014	31 DEC. 2013	1 JAN. 2013	ASSETS	NOTE	31 DEC. 2014	31 DEC. 2013	1 JAN. 2013
NON-CURRENT ASSETS							
INTANGIBLE ASSETS							
16.0	0.2	0.2	Deferred tax assets	12	1 192.6	856.2	468.2
0.0	0.0	0.0	Goodwill	13,14	8 068.3	7 189.4	1 000.6
0.0	0.0	0.0	Other intangible assets	13	3 420.7	3 459.1	385.6
16.0	0.2	0.2	Total intangible assets		12 681.6	11 504.8	1 854.4
TANGIBLE FIXED ASSETS							
0.0	0.0	0.0	Land, buildings and other property		1 011.5	941.2	717.3
0.0	0.0	0.0	Office equipment, fixtures and fittings		1 199.6	906.0	518.3
0.0	0.0	0.0	Total tangible fixed assets	15	2 211.1	1 847.2	1 235.6
NON-CURRENT FINANCIAL ASSETS							
11 606.7	10 936.5	1 754.7	Investments in subsidiaries	3	0.0	0.0	0.0
0.0	0.0	0.0	Investments in associates	16	147.4	8.5	14.1
0.0	0.2	0.2	Available for sale investments		42.6	42.4	36.8
516.0	516.0	516.0	Net pension assets	9	4.9	283.0	52.0
785.3	6.7	39.6	Loan to subsidiaries		0.0	0.0	0.0
0.0	0.2	42.7	Other long-term receivables	19	359.5	449.3	370.9
12 908.0	11 459.5	2 353.2	Total non-current financial assets		554.4	783.2	473.8
12 924.0	11 459.7	2 353.4	Total non-current assets		15 447.1	14 135.1	3 563.8
CURRENT ASSETS							
DEBTORS							
0.0	0.0	0.0	Trade debtors	18	5 141.7	4 268.2	2 578.3
0.0	0.0	0.0	Work in progress		2 881.5	2 501.1	1 351.1
175.6	4.3	0.0	Other receivables group companies		30.9	44.8	0.0
0.0	0.1	0.0	Other debtors		897.6	706.1	456.6
175.6	4.4	0.0	Total debtors		8 951.6	7 520.2	4 386.0
592.5	353.1	518.1	Cash and bank deposits	21	3 978.2	3 874.7	1 773.9
768.1	357.5	518.1	Total current assets		12 929.8	11 394.9	6 159.9
13 692.3	11 817.2	2 871.5	TOTAL ASSETS		28 376.9	25 530.0	9 723.7

DNV GL GROUP AS AMOUNTS IN NOK MILLION

DNV GL GROUP AS – GROUP

31 DEC. 2014	31 DEC. 2013	1 JAN. 2013	EQUITY AND LIABILITIES	NOTE	31 DEC. 2014	31 DEC. 2013	1 JAN. 2013
EQUITY							
PAID-IN CAPITAL							
100.0	100.0	10.1	Share capital	24	100.0	100.0	9.0
9 323.5	9 323.5	0.0	Share premium		9 323.5	9 323.5	0.0
RETAINED EARNINGS							
417.4	1 277.6	2 762.9	Other equity		7 037.3	6 120.2	5 037.2
0.0	0.0	0.0	Non-controlling interest		35.5	17.5	4.5
9 840.9	10 701.1	2 773.0	Total equity		16 496.4	15 561.2	5 050.8
LIABILITIES							
NON-CURRENT LIABILITIES							
500.0	0.0	0.0	Interest bearing loans and borrowings	22	500.0	0.0	0.0
0.0	0.0	0.0	Pension liabilities	9	2 824.4	1 952.5	187.0
0.0	0.0	0.0	Deferred tax	12	988.1	982.7	226.4
528.9	250.2	0.0	Loan from subsidiaries		0.0	0.0	0.0
0.0	0.0	0.0	Non-current provisions	20	110.7	161.7	50.5
0.0	0.0	0.0	Other non-current liabilities		515.5	1 135.5	857.2
1 028.9	250.2	0.0	Total non-current liabilities		4 938.7	4 232.5	1 321.1
CURRENT LIABILITIES							
0.0	0.0	0.0	Overdrafts		4.5	0.0	0.0
0.0	0.0	0.0	Trade creditors		476.6	576.8	339.8
7.0	0.0	0.0	Tax payable	12	699.1	429.3	230.6
0.0	0.0	0.0	Public duties payable		482.4	442.4	391.3
2 263.0	865.9	97.1	Short-term liabilities group companies		27.2	22.7	0.9
503.5	0.0	0.0	Dividend declared to shareholders		503.5	0.0	0.0
0.0	0.0	0.0	Current provisions	20	164.4	101.8	47.0
49.1	0.0	1.4	Other current liabilities	17	4 584.0	4 163.3	2 342.4
2 822.6	865.9	98.5	Total current liabilities		6 941.8	5 736.3	3 351.9
3 851.5	1 116.1	98.5	Total liabilities		11 880.6	9 968.8	4 673.0
13 692.3	11 817.2	2 871.5	TOTAL EQUITY AND LIABILITIES		28 376.9	25 530.0	9 723.7

THE BOARD OF DIRECTORS OF DNV GL GROUP AS, HØVIK, 30 APRIL 2015

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

CONSOLIDATED STATEMENT OF CASH FLOW

DNV GL GROUP AS		AMOUNTS IN NOK MILLION		DNV GL GROUP AS - GROUP	
2014	2013			2014	2013
CASH FLOW FROM OPERATIONS					
(29.7)	7.4	Profit before tax	1 681.5	1 318.3	
0.0	0.0	Gain/loss on disposal of tangible fixed assets	(2.3)	(0.1)	
0.0	0.0	Gain on divestments	(18.7)	(12.0)	
0.0	0.0	Gain on conversion of loan to associated companies	(26.3)	0.0	
0.0	0.0	Gain from change of defined benefit pension plans	(175.0)	0.0	
(175.4)	(4.3)	Group contribution recorded as financial income	0.0	0.0	
0.0	0.0	Depreciation, amortization and impairment	940.0	474.4	
0.0	0.0	Tax payable	(702.9)	(570.0)	
		Change in work in progress, trade debtors and trade creditors	(701.1)	(731.0)	
1 445.7	719.5	Change in accruals, provisions and other	663.0	98.6	
1 240.6	722.6	Net cash flow from operations	1 658.2	578.2	
CASH FLOW FROM INVESTMENTS					
0.0	0.0	Acquisitions (business combinations)	(288.8)	(50.2)	
(670.0)	0.0	Settlement minority share owners N.V. KEMA	(670.0)	0.0	
0.0	0.0	Divestments of subsidiaries	12.0	35.1	
0.0	0.0	Investments in tangible fixed assets	(582.7)	(449.7)	
0.0	0.0	Investments in intangible assets	(175.0)	(48.6)	
0.0	0.0	Sale of tangible fixed assets (sales value)	32.9	26.9	
0.0	8.8	Change in other investments	(98.6)	0.0	
(670.0)	8.8	Net cash flow from investments	(1 770.2)	(486.5)	
CASH FLOW FROM FINANCING ACTIVITIES					
(500.0)	250.2	Change in loan from subsidiaries	0.0	0.0	
0.0	0.0	Change in overdraft	4.5	0.0	
500.0	0.0	Borrowings	500.0	0.0	
(335.5)	(661.7)	Dividend paid	(335.5)	(661.7)	
4.3	(11.8)	Group contribution paid/received	0.0	0.0	
(331.2)	(423.3)	Net cash flow from financing activities	169.0	(661.7)	
239.4	308.1	Net increase/(decrease) in cash and bank deposits	57.0	(570.0)	
353.1	518.1	Liquidity at beginning of period	3 874.7	1 946.1	
0.0	(473.1)	Demerger 1 January 2013 cash transferred	0.0	(172.2)	
0.0	0.0	Cash in acquired companies	46.5	2 670.8	
592.5	353.1	Liquidity at end of period	3 978.2	3 874.7	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AMOUNTS IN NOK MILLION	SHARE CAPITAL	SHARE PREMIUM	OTHER EQUITY	TRANSLATION DIFFERENCES	NON-CONTROLLING INTEREST	TOTAL
DNV GL GROUP AS						
Equity at 31 December 2012 - NGAAP	10.1		2762.9			2 773.0
Effect of transition to IFRS						0.0
Equity at 1 January 2013 - IFRS	10.1	0.0	2 762.9	0.0	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 period			(92.2)			(92.2)
Equity at 31 December 2013	100.0	9 323.5	1 277.6	0.0	0.0	10 701.1
Profit for the period			(21.2)			(21.2)
Dividend paid			(335.5)			(335.5)
Dividend accrued			(503.5)			(503.5)
Equity at 31 December 2014	100.0	9 323.5	417.3	0.0	0.0	9 840.8

DNV GL GROUP AS - GROUP

Equity at 31 December 2012 - NGAAP	9.0		4 923.7		4.5	4 937.2
Effect of transition to IFRS			113.6			113.6
Equity at 1 January 2013 - IFRS	9.0	0.0	5 037.3	0.0	4.5	5 050.8
Profit for the period			822.8		2.6	825.3
Dividend paid			(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
Actuarial gains/(losses) on defined benefit pension plans			99.4			99.4
Exchange differences				877.0		877.0
Other equity changes					10.4	10.4
Equity at 31 December 2013	100.0	9 323.5	5 243.3	877.0	17.5	15 561.2
Profit for the period			998.9		8.2	1 007.1
Dividend paid			(335.5)			(335.5)
Dividend accrued			(503.5)			(503.5)
Actuarial gains/(losses) on defined benefit pension plans			(920.2)			(920.2)
Exchange differences				1 707.0		1 707.0
Share of other comprehensive income from associates			(29.4)			(29.4)
Other equity changes					9.8	9.8
Equity at 31 December 2014	100.0	9 323.5	4 453.4	2 584.0	35.5	16 496.4

BASIS FOR PREPARATION. The financial statements are prepared in accordance with the Norwegian Accounting Act § 3-9 and Regulations on Simplified IFRS as enacted by the Ministry of Finance 3 November 2014. In all material aspects, Norwegian Simplified IFRS requires that the IFRS recognition and measurement criteria (as adopted by the European Union) are complied with, but disclosure and presentation requirements (the notes) follow the Norwegian Accounting Act and Norwegian Generally Accepted Accounting Standards.

The financial statements are presented in Norwegian Kroner (NOK) and all values are rounded to the nearest million (NOK million), except when otherwise indicated.

CONSOLIDATION PRINCIPLES. The consolidated statements include the parent company DNV GL Group AS and all companies in which the parent company directly or indirectly has controlling interest. The group controls an entity when the group is exposed to, or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group and deconsolidated from the date that control ceases. The group accounts show the Group's consolidated Income statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Statement of Cash Flow as a single economic entity. Subsidiaries follow the same accounting principles as the parent company. All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between Group entities are eliminated in the consolidated accounts.

The consolidated financial statements have been prepared on the basis of going concern.

BUSINESS COMBINATIONS AND GOODWILL. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at the acquisition date at fair value. Acquisition-related costs are expensed in Income statement as incurred.

Identifiable assets acquired and liabilities assumed are recognized at their fair value at the acquisition date. Goodwill is recognized as the residual value between fair value of the consideration transferred and the fair value of the identifiable net assets.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

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 within one year from acquisition date.

SUBSIDIARIES. Investments in subsidiaries are recognized at cost in the accounts of the parent company. Investments carried at cost are measured at the lower of their carrying amount and fair value less costs to sell. The fair values of the investments are tested annually based on external and/or internal indicators implying revaluation. If estimated fair value is less than the carrying amount, the investments are impaired in the Balance sheet statement and the corresponding cost is recognized in the income statement. Impairment losses recognized in prior periods are reversed if the basis for the impaired value no longer exists or have decreased.

In the accounts of the parent company, dividends, group contributions and other distributions are recognized in the same year as they are recognized in the financial statement of the subsidiary according to the Norwegian Regulation of simplified IFRS § 3-1. If dividends/group contribution 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 statement for the parent company.

DIVIDEND TO EQUITY HOLDERS OF THE PARENT COMPANY. Dividends declared to shareholders are recognized as a liability at the end of the reporting period according to the Norwegian Regulation of simplified IFRS § 3-1.

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES. An associate is an entity in which the Group has a significant influence but does not control the management of its financial and operating policy decisions (normally when the Group owns 20%-50% of the company).

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control, are similar to those necessary to determine control over subsidiaries.

Investments in associated companies and joint ventures are accounted for using the equity method.

Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The income statement reflects the Group's share of profits after tax of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The aggregate of the Group's share of profits (or losses) of an associate and a joint venture is shown in the income statement as financial items.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group.

The recognized value of the associate or joint venture in the Statement of Financial Position is tested for impairment annually or more frequently when deemed necessary.

NON-CONTROLLING INTEREST. The non-controlling interest in the consolidated financial statements, represent the minority's share of the carrying amount of the equity in entities with minority shareholders.

CLASSIFICATION AND VALUATION OF ASSETS AND LIABILITIES.

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- » Expected to be realized or intended to be sold or consumed in normal operating cycle
- » Held primarily for the purpose of trading
- » Expected to be realized within twelve months after the reporting period, or
- » Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

Current and non-current liabilities are classified correspondingly. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Current assets are valued at the lower of cost and net realizable value. Short-term debt is recognized at fair value and subsequently measured at amortized cost. Transaction cost on short-term borrowings are usually minor, and the value of short-term debt at amortized cost is therefore normally identical with face value.

Fixed assets are valued at cost. However, if a decline in value is expected not to be temporary, fixed assets are impaired to the recoverable amount. Fixed assets with a limited useful economic life are depreciated in accordance with a linear depreciation plan.

REVENUE RECOGNITION. Revenue is recognized when it is probable that future economic benefits will flow to the Group and the revenue can be measured reliably, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties.

Revenue from services is recognized by reference to the stage of completion (percentage of completion method). Stage of completion is measured by reference to hours incurred /contract costs incurred to date as a percentage of total estimated hours /total estimated contract costs for each contract. When the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

When the selling price of a software product includes an identifiable amount for subsequent servicing (e.g. after sales support and product enhancement /maintenance on the sale of software products), that amount is deferred and recognized as revenue over the period during which the service will be performed. The amount deferred covers the expected costs of the services under the agreement together with a reasonable profit on those services.

DEBTORS. Trade receivables and other current receivables are recorded in the balance sheet initially at fair value and subsequently measured at amortized cost less provision for impairment. Provisions for doubtful debts are calculated on the basis of individual assessments. Impairments of trade receivables are recognized in the income statement if objective indicators suggest that the due amounts cannot be covered in full.

TAXES. Income tax expense comprises both current tax and deferred tax, including effects of changes in tax rates. Current and deferred tax is recognized in income statement, except to the extent that they relate to items recognized in equity or other comprehensive income, of which the tax is also recognized in equity or other comprehensive income.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The current and deferred income tax is calculated based on tax rates (and tax laws) that have been enacted or substantively enacted, in the countries where the Group operates and generates taxable income

at the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities and the corresponding tax bases as well as on tax losses carried forward at the reporting date. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets for temporary differences and tax loss carry forwards are recognized to the extent that it is probable that future taxable income will be available at the level of the relevant tax authority for utilization. Tax increasing and tax reducing temporary differences expected to reverse in the same period are offset and calculated on a net basis as far as this relate to the same taxable entity and the same taxation authority.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

FOREIGN CURRENCIES. The Group's consolidated financial statements are presented in Norwegian Kroner (NOK), which is also the parent company's functional currency. The functional currency of an entity is the currency of the economic environment in which the company primarily operates. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in the Income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Forward exchange contracts are included at market value at the reporting date.

On consolidation, the assets and liabilities of foreign operations, including goodwill and fair value adjustments are translated into NOK at the rate of exchange prevailing at the reporting date. The Income statements are translated at the average exchange rate for the financial year. Exchange rate differences arising are recognized in other comprehensive income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the Income statement.

Realized and unrealized currency effects not reflected in OCI are included on a net basis in either other financial income or other financial expenses.

PROPERTY, PLANT AND EQUIPMENT. Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated on a straight-line basis over the expected useful life of the assets. The estimated useful life, residual values and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. Periodic maintenance costs are capitalized and depreciated over the expected maintenance period. Other repair and maintenance costs are recognized in the Income statement as incurred. Improvement and upgrading are assigned to the purchase cost /carrying amount and depreciated along with the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gains or losses is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

LEASES. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments are recognized as an operating expense in the Income statement on a straight-line basis over the period of lease.

BORROWING COSTS. Borrowing costs are recognized in the Income statement in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

INTANGIBLE ASSETS. Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Except for capitalized development costs, all other internally generated intangibles are reflected in the Income statement in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

RESEARCH AND DEVELOPMENT COSTS. Research costs are expensed as incurred. Development expenditures on an individual project are recognized 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 and intention 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

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. The asset is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

IMPAIRMENT OF NON-FINANCIAL ASSETS. The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Income statement.

Goodwill is tested for impairment annually as part of the Group's annual plan process and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

CASH AND BANK DEPOSITS. Cash and bank deposits in the Balance sheet comprise petty cash and cash at bank and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and bank deposits are initially and subsequently measured at fair value.

PROVISIONS. Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable (more likely than not) that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a financial expense.

POST-EMPLOYMENT BENEFITS. The group operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

A defined contribution plan is a pension plan under which the Group pays fixed contribution into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The pension cost related to the defined contribution plans is equal to the contributions to the employee's pension savings in the accounting period.

Multi-employer plans are accounted for as defined contribution plans.

A defined benefit plan is a pension plan that is not a defined contribution plan. In the defined benefit plans, the Group's obligation is to provide the agreed benefit to current and former employees, actuarial risk and investment risk fall in substance on the Group. The Group's defined benefit plans are both funded and unfunded.

Actuarial assumptions are made to measure the pension obligation and the pension expense. Actuarial assumptions are mutually compatible and reflect the economic relationship between factors such as inflation, rate of salary increase and discount rate. The actuarial assumptions comprise: demographic assumptions such as mortality and employee turnover and financial assumptions such as discount rate, rate of salary- and pension benefit increase.

The pension obligations are measured on a discounted basis. Pension plan assets are valued at their fair value. The fair value of plan assets is deducted from the present value of the defined benefit obligation when determining the net defined benefit liability or assets.

Actuarial gains and losses are recognized through other comprehensive income (OCI). Actuarial gains and losses are not reclassified to profit or loss in subsequent periods.

Changes to existing defined benefit plans that will lead to changes in pension obligation are recognized in the statement of income as they occur. Gains or losses linked to changes or terminations of pension plans are also recognized in the statement of income when they arise.

Net interest on the net defined benefit/assets is presented as part of financial items.

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements is presented as part of payroll expenses.

USE OF ESTIMATES. The preparation of the Group's consolidated financial statements in accordance with simplified IFRS requires management to make judgements, estimates and assumptions about the carrying amount of assets and liabilities at the end of the reporting period that

are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Update of accounting estimates are recognized in the period of which the estimate is updated, if the update affects only that period, or in the period of the update if the update affects both current and future periods.

CONTINGENT LIABILITIES AND ASSETS. Contingent liabilities are not recognized in the annual accounts. Significant contingent liabilities are disclosed, with the exception of contingent liabilities that are unlikely to be incurred. Contingent assets (unless virtually certain) are not recognized in the annual accounts but are disclosed if the inflow of economic benefits is probable.

EVENTS AFTER THE REPORTING PERIOD. New information on the company's financial position on the end of the reporting period which becomes known after the reporting period is recorded in the annual accounts. Events after the reporting period that do not affect the company's financial position on the end of the reporting period but which will affect the company's financial position in the future are disclosed if significant.

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 financial assets with maturities of three months or less.

02 TRANSITION TO IFRS

With effect from 2014, including comparable figures from 2013, DNV GL Group has transitioned to International Financial Reporting Standards (IFRS) from Norwegian Accounting Standards (NGAAP).

The financial statements are prepared in accordance with the Norwegian Accounting Act § 3-9 and Regulations on Simplified IFRS as enacted by the Ministry of Finance 3 November 2014. In all material aspects, Norwegian Simplified IFRS requires that the IFRS recognition and measurement criteria (as adopted by the European Union) are complied with, but disclosure and presentation requirements (the notes) follow the Norwegian Accounting Act.

DNV GL Group AS has prepared an IFRS opening balance sheet as of 1 January 2013. The IFRS implementation effects identified for the Group are few and mainly related to amortization of goodwill not allowed under IFRS and accounting for periodical maintenance for the Energy laboratories. The same principles used in the opening balance are used throughout the periods presented, therefore there are no changes in accounting principles in these financial statements.

DNV GL Group have applied the following exemptions from retrospective application of certain IFRSs:

1 Cumulative currency translation differences for all foreign operations are deemed to be zero as at 1 January 2013.

2 With the exception of the acquisition of N.V. KEMA late February 2012 and the business combination with GL SE Group in September 2013, the classification of former business combinations under previous NGAAP is maintained, and the carrying amount of goodwill recognized under NGAAP has not been adjusted.

3 Under previous NGAAP, DNV GL Group did not capitalize or measure development expenditures as assumed by IAS 38, and consequently no reliable estimate for development cost to be capitalized existed at 1 January 2013. Based on this, development costs are only recognized as an intangible asset subsequent to the transition to IFRS.

The main effects of transition to IFRS 1 January 2013 for the Group are:

A Acquisition-related costs incurred in the acquisition of N.V. KEMA and in the Business Combination with GL have under NGAAP been considered part of the acquisition cost, these costs have in line with IFRS been expensed in the period the costs were incurred.

B Goodwill related to the acquisition of N.V. KEMA and the Business Combination with GL have under NGAAP been amortized over the expected economic lifetime. These goodwill amortizations have been reversed to comply with IFRS. No impairment of Goodwill in excess of impairments reflected under NGAAP has been deemed necessary at 1 January 2013.

C Periodic maintenance/overhaul related to the laboratories in BA Energy have under NGAAP been built up as provisions for expected maintenance cost. In the transition to IFRS, the periodic maintenance/overhaul have been recognized when the costs are incurred and amortized over its useful life. A related deferred tax effect has been recognized to reflect the temporary difference between the IFRS adjustment for periodic maintenance/overhaul and related tax values.

RECONCILIATION OF TRANSITIONAL EFFECTS

DNV GL GROUP AS – GROUP

BALANCE SHEET	REF.	DNV GL GROUP AS – GROUP (1 JAN. 2013)			DNV GL GROUP AS – GROUP (31 DEC. 2013)		
		AMOUNTS IN NOK MILLION	NGAAP	EFFECT OF TRANSITION TO IFRS	IFRS	NGAAP	EFFECT OF TRANSITION TO IFRS
Intangible assets	A,B,C	1 823.7	30.8	1 854.4	11 309.2	195.6	11 504.8
Tangible fixed assets	C	1 164.8	70.8	1 235.6	1 762.2	85.0	1 847.2
Non-current financial assets		473.8		473.8	783.2		783.2
Trade debtors, work in progress							
and other receivables		4 386.0		4 386.0	7 520.2		7 520.2
Cash and bank deposits		1 773.9		1 773.9	3 874.7		3 874.7
TOTAL ASSETS		9 622.2	101.6	9 723.7	25 249.4	280.6	25 530.0
Equity	A,B,C	4 937.2	113.6	5 050.8	15 269.7	291.5	15 561.2
Provisions		1 333.1	(12.0)	1 321.1	4 243.4	(11.0)	4 232.5
Current liabilities		3 351.9		3 351.9	5 736.3		5 736.3
TOTAL EQUITY AND LIABILITIES		9 622.2	101.6	9 723.7	25 249.4	280.6	25 530.0

INCOME STATEMENT

INCOME STATEMENT	REF.	DNV GL GROUP AS – GROUP (1 JAN. – 31 DEC. 2013)			
		AMOUNTS IN NOK MILLION	NGAAP	EFFECT OF TRANSITION TO IFRS	IFRS
Operating revenue			15 234.1		15 234.1
Payroll expenses			8 446.3		8 446.3
Depreciation	C		267.7	3.7	271.3
Amortization and impairment	B		455.6	(252.6)	203.0
Other operating expenses	A, C		4 887.4	93.5	4 981.0
Operating profit			1 177.1	155.3	1 332.4
Net financial income			(14.1)		(14.1)
Tax expense	C		(491.9)	(1.1)	(493.0)
Profit for the period			671.0	154.3	825.3

RECONCILIATION OF TRANSITIONAL EFFECTS

DNV GL GROUP AS (PARENT COMPANY)

There are no effects of transition to IFRS 1 January 2013 for the parent company DNV GL Group AS. IFRS effects included after 1 January 2013:

A. Acquisition-related costs incurred in the Business Combination with GL have under NGAAP been considered part of the acquisition cost, these costs have in line with IFRS been expensed in the period the costs were incurred.

BALANCE SHEET

BALANCE SHEET	REF.	DNV GL GROUP AS (31 DEC. 2013)			
		AMOUNTS IN NOK MILLION	NGAAP	EFFECT OF TRANSITION TO IFRS	IFRS
Intangible and tangible fixed assets			0.2		0.2
Non-current financial assets	A		11 558.7	(99.2)	11 459.5
Current assets			357.5		357.5
TOTAL ASSETS			11 916.4	(99.2)	11 817.2
Equity	A		10 800.3	(99.2)	10 701.1
Total liabilities			1 116.1		1 116.1
TOTAL EQUITY AND LIABILITIES			11 916.4	(99.2)	11 817.2

INCOME STATEMENT

INCOME STATEMENT	REF.	DNV GL GROUP AS (1 JAN. – 31 DEC. 2013)			
		AMOUNTS IN NOK MILLION	NGAAP	EFFECT OF TRANSITION TO IFRS	IFRS
Operating revenue			0.0		0.0
Other operating expenses	A		0.9	99.2	100.1
Operating profit			(0.9)	(99.2)	(100.1)
Net financial income			8.3		8.3
Tax expense			(0.4)		(0.4)
Profit for the period			7.0	(99.2)	(92.2)

03

GROUP INFORMATION

DNV GL GROUP AS – GROUP CONSIST OF THE PARENT COMPANY DNV GL GROUP AS AND THE FOLLOWING SUBSIDIARIES:

	BUSINESS OFFICE	SHARE CAPITAL ¹ IN 1000 LOCAL CURR.	OWNERSHIP	BOOK VALUE
DNV GL AS	Bærum, Norway	NOK 5 000	100%	9 368.9
Det Norske Veritas Business Assurance Group AS	Bærum, Norway	NOK 1 033	100%	1.1
N.V. KEMA	Arnhem, Netherlands	EUR 9 015	100%	2 236.7
DNV KEMA AS (dormant)	Bærum, Norway	NOK 100	100%	0.1
Total investment in subsidiaries				11 606.7

¹ incl. share premium

04 BUSINESS COMBINATIONS

CHANGES IN GROUP STRUCTURE 2014

6 May 2014, DNV GL AS acquired 70% of the shares in Marine Cybernetics AS. In addition, DNV GL AS has entered into an agreement with the owners of the remaining 30% of the shares, where DNV GL AS has an obligation to acquire the remaining shares after three years at an agreed price. 100% of Marine Cybernetics AS has been included in the DNV GL Group AS consolidated accounts from 1 May 2014 with no minority interest. The expected payment for the remaining shares has been reflected as a liability under other non-current liabilities.

Marine Cybernetics is a leading provider of third-party testing and verification of control system software for the maritime and offshore industries. With increasing importance of software-dependent systems in ensuring safe, reliable and efficient operations, the Marine Cybernetics acquisition is a strategic investment in total system quality assurance to further broaden DNV GL's service portfolio.

9 May 2014, DNV GL Group AS acquired the remaining 25.7% of the shares in the N.V. KEMA Group. As part of the acquisition agreement from December 2011, DNV GL Group AS had an agreement with the minority share owners, where DNV GL Group AS had a call option on acquiring the remaining shares after two years. The option structure was such that it was highly unlikely at time of acquisition that an acquisition of the remaining 25.7% of the shares would not take place after two years. 100% of N.V. KEMA has been included in the DNV GL Group AS con-

solidated accounts from 1 March 2012 with no minority interest and the net present value of the expected payment for the remaining shares has been reflected as a liability under other non-current liabilities. This liability was settled 9 May 2014.

In January 2014, NOK 47 million convertible loan to StormGeo Holding AS, including interest, was converted to equity. In addition, a capital contribution/share issue of NOK 99 million has been made. After these transactions, DNV GL Group ownership (through DNV GL AS) in StormGeo Holding AS is 27%. The investment is recognized in accordance with the equity method in the accounts of DNV GL Group AS.

12 March 2014, KEMA USA Inc. acquired 100% of the shares in PV Evolution Labs LLC (PVEL). The purchase price was NOK 34 million which resulted in a goodwill of NOK 20.7 million. PVEL tests, assesses, and predicts the performance of solar panels and also other PV system components. The acquisition fits well with DNV GL's solar business and vision.

In line with IFRS 3 'Business Combinations', adjustments to the preliminary purchase price allocation for the acquisition of GL SE Group have been reflected as a result of new information about facts and circumstances existing at the date of the acquisition. The adjustments led to a reduction of Technology with NOK 10.4 million, increased liabilities of NOK 45.0 million and increased goodwill of NOK 55.4 million. The adjustments have been reflected in 2014.

ACQUISITIONS 2014

COMPANY / ACTIVITIES	TRANSACTION DATE	OWNERSHIP	PURCHASE CURRENCY	ACQUISITION COST LOCAL CURRENCY	EXTERNAL REVENUE INCL. IN 2014 ACCT. MILL NOK
Marine Cybernetics AS	6 May 2014	70%	EUR	324.1	72.0

The acquisition cost in excess of net book value of the equity has been allocated to goodwill and other intangible assets.

PRELIMINARY PURCHASE PRICE ALLOCATION (PPA) FOR THE ACQUISITION OF MARINE CYBERNETICS AS:	ACQUISITION COST	OF WHICH:						
		CUSTOM. RELATIONS	CUSTOM. CONTRACTS	TECHNOLOGY	LIABILITIES	DEF. TAX	NET ASSETS	GOODWILL
PPA (NOK mill)	209.3	10.8	9.8	79.8	(116.8)	(27.1)	53.1	199.8

The fair value of the trade receivables amounts to NOK 36.1 million. None of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

From the date of acquisition, Marine Cybernetics AS contributed NOK 72.0 million of revenue and NOK 8.4 million to profit before tax

from continuing operations for the Group. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been NOK 104.1 million and the profit before tax from continuing operations for the Group would have been NOK 10.7 million.

The goodwill of NOK 199.8 million comprises the fair value of expected synergies and workforce from the acquisition.

CASH FLOW ON ACQUISITION

AMOUNTS IN NOK MILLION

Net cash acquired with the subsidiary	46.5
Consideration paid in cash	(209.3)
Net cash flow on acquisition	(162.8)

CHANGES IN GROUP STRUCTURE 2013

On 20 December 2012, Stiftelsen Det Norske Veritas and Mayfair Vermøgensverwaltungs 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. Stiftelsen Det Norske Veritas AS owns 63.5% through Det Norske Veritas Holding AS and Mayfair owns 36.5%.

Effective 1 January 2013, the shares in Det Norske Veritas 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).

ACQUISITIONS 2013

COMPANY / ACTIVITIES	TRANSACTION DATE	OWNERSHIP	PURCHASE CURRENCY	ACQUISITION COST 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 Certifiering	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.

PRELIMINARY PURCHASE PRICE ALLOCATION (PPA) FOR THE ACQUISITION OF 100% OF GL SE GROUP ¹ :	ACQUISITION COST	OF WHICH:						
		TRADEMARKS	CUSTOM. CONT. & REL.	TECHNOLOGY	LIABILITIES	DEF. TAX	NET ASSETS	GOODWILL
PPA (NOK mill)	9 459.0	267.2	1 684.4	664.0	(145.8)	(691.6)	2 083.5	5 597.1

The goodwill of NOK 5 597.1 million comprises the fair value of expected synergies and workforce arising from acquisition.

¹ Adjusted in 2014 based on new information about facts and circumstances existing at the date of the acquisition, ref section 6 under 'Changes in group structure 2014'.

CASH FLOW ON ACQUISITION

AMOUNTS IN NOK MILLION

Net cash acquired with the subsidiary	2 670.8
Consideration paid in cash	0.0
Net cash flow on acquisition	2 670.8

05 EXTERNAL OPERATING REVENUE

AMOUNTS IN NOK MILLION

DNV GL GROUP AS - GROUP

GEOGRAPHICAL AREA	2014	2013
Nordic countries	4 542.1	4 119.6
Europe and Africa	7 387.2	4 377.5
Asia Pacific	5 800.6	3 631.0
North and South America	3 892.9	3 106.0
Total operating revenue	21 622.8	15 234.1

BUSINESS AREAS AND BUSINESS UNITS

	2014	2013
DNV GL - Maritime	8 805.8	5 700.3
DNV GL - Oil & Gas	6 264.2	4 218.7
DNV GL - Energy	3 122.1	2 612.3
DNV GL - Business Assurance	2 491.7	2 217.2
DNV GL - Software	783.3	445.0
Marine Cybernetics	72.0	0.0
Other	83.7	40.6
Total operating revenue	21 622.8	15 234.1

For management purposes, the Group is organized into business areas based on the industries in which the Group operates. DNV GL is structured into four business areas; Maritime, Oil & Gas, Energy and Business Assurance, and two independent business units; Software and Marine Cybernetics.

06 PAYROLL EXPENSES

DNV GL GROUP AS – GROUP

AMOUNTS IN NOK MILLION

	2014	2013
Salaries	9 332.6	6 641.4
Payroll tax	1 213.7	908.5
Pension costs	645.3	593.0
Other contributions	406.0	303.4
Total payroll expenses	11 597.5	8 446.3
Man years (average)	15 428	10 890
Total bonus expenses	451.8	317.0

07 OTHER OPERATING EXPENSES

DNV GL GROUP AS – GROUP

AMOUNTS IN NOK MILLION

	2014	2013
Travel expenses	1 251.0	874.8
Hired assistance	1 442.6	824.5
ICT and communication expenses	897.8	417.9
Rent and real estate expenses	826.4	517.4
Loss on claim	95.2	43.6
Expenses group companies	228.0	170.3
Education and marketing	429.3	309.0
Administration expenses	1 009.1	765.9
Other expenses	1 294.3	1 057.6
Total other operating expenses	7 473.8	4 981.0

The Group recognized expenses of NOK 727.4 million in relation to operating leases in 2014. Operating lease relates mainly to office rent, with lease terms between 1 to 15 years and company cars, with lease terms between 1 to 5 years.

MINIMUM LEASE PAYMENTS RELATING TO OPERATING LEASE

2014

	2014
Within one year	592.2
After one year but not more than five years	1 613.8
More than five years	928.3
Total	3 134.3

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

COMPENSATION GUIDELINES FOR THE GROUP CEO AND THE MEMBERS OF THE EXECUTIVE COMMITTEE. The compensation guidelines for the members of the Executive Committee support DNV GL's vision of being a global organization with a long-term perspective. The main compensation elements are focused around a market based salary, a bonus scheme with a retention element and a few standard employee benefits in line with the local markets.

The Group CEO and executive management team participate in the standard pension and insurance schemes applicable to the employees in Norway, United Kingdom, Germany and Italy respectively. The 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 with a retention component was introduced to all employees in legacy DNV beyond a given salary group level. This was done to become more aligned with the external market in relation to variable pay for those salary grade levels.

The bonus is based on a combination of Business Area and Group EBITA results and target varies by salary grade and performance assessment. 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 the following two years. The pay-outs are forfeited if the executive resigns.

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

In 2014, harmonization plans were prepared and approved in order for legacy DNV and legacy GL to have a common compensation system from January 2015.

Group CEO Henrik O. Madsen has a pensionable annual base salary of NOK 4 203 thousand and a functional allowance including free housing of NOK 1 102 thousand.

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, Group CEO is entitled to, given certain circumstances, a severance pay of maximum two years of base salary. The Board of Directors may award a discretionary bonus to the Group CEO, who is not eligible for the bonus bank scheme.

REMUNERATIONS TO THE EXECUTIVE COMMITTEE FOR 2014

AMOUNTS IN NOK THOUSAND

	SALARY & FUNCTIONAL ALLOWANCE	OTHER BENEFITS	BONUS	PENSION COST
Henrik O. Madsen	5 462.6	563.7	2 000.0	3 487.8
Tor E. Svensen	3 217.1	64.3	467.6	1 178.8
Remi Eriksen	2 777.4	123.0	406.5	609.0
Thomas Vogth-Eriksen	2 522.7	64.3	356.6	633.7
Cecilie B. Heuch	2 215.0	33.1	320.4	85.5
Luca Crisciotti	2 006.3	73.9	213.5	630.5
David Walker	2 670.4	298.6	316.3	0.0
Elisabeth Tørstad	1 726.4	299.7	94.4	374.6
Knut Ørbeck-Nilssen	1 124.4	11.2	529.3	365.2
Lutz Wittenberg	1 464.1	57.3	1 849.8	465.8

In addition, one former member of the Executive Committee has received total compensation of NOK 7 919.6 thousand including severance pay.

LOANS TO THE EXECUTIVE COMMITTEE AT 31 DEC. 2014

AMOUNTS IN NOK THOUSAND

	LOAN AMOUNT	INTEREST RATE	REPAYMENT PERIOD	SECURITY
Henrik O. Madsen	1 257.6	1.13%	Nov. 2018	Mortgage
Tor E. Svensen	423.4	1.13%	Mar. 2018	Mortgage
Thomas Vogth-Eriksen	1 692.4	1.13%	Apr. 2024	Mortgage
Elisabeth Tørstad	997.8	1.13%	May 2035	Mortgage

REMUNERATIONS TO THE BOARD OF DIRECTORS PAID OUT IN 2014

AMOUNTS IN NOK THOUSAND

	REMUNERATION BOARD OF DIRECTORS	REMUNERATION BOARD AUDIT COMMITTEE	REMUNERATION BOARD COMPENSATION COMMITTEE	REMUNERATION BOARD OF DIRECTORS	REMUNERATION BOARD AUDIT COMMITTEE	REMUNERATION BOARD COMPENSATION COMMITTEE
Leif-Arne Langøy	204.0		50.0			
Günter H.W. Herz	160.0					
Morten Ulstein	136.0		32.5			
C. Thomas Rehder	136.0					
Hilde M. Tonne	136.0	60.0				
Christelle G.V. Martin	136.0					
Rebekka Glasser Herlofsen	136.0	60.0				
J. Hinrich Stahl	136.0	75.0	32.5			
Johannes Lafrentz	136.0		32.5			
Odd E. Sund	136.0					
Sille Grjotheim	136.0					
Mette Bandholtz Nielsen	136.0					
David McKay	136.0					
Clemens Keuer	136.0					

FEES TO THE AUDITORS FOR 2014

AMOUNTS IN NOK THOUSAND

	DNV GL GROUP AS	GROUP AUDITOR OTHER NORWEGIAN ENTITIES	GROUP AUDITOR NON-NORWEGIAN ENTITIES	OTHER AUDITORS	TOTAL
Statutory audit	2 625.0	1 875.0	17 355.0	4 093.7	25 948.7
Tax consulting services		663.0	6 077.5	691.8	7 432.3
Other audit related services		791.0	2 682.0	285.3	3 758.3
Non-audit services		169.0	91.0	572.7	832.7

09

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.

5 769 persons are covered by defined benefit pension plans, while 11 524 employees are covered by the defined contribution pension plan.

The defined benefit pension plans in Norway are financed through a separate pension fund. For defined benefit pension plans in Germany, the major plans are unfunded with the gross liability reflected as a pension liability, however there are also pension plans in Germany financed through independent insurance companies. Of the other defined benefit pension plans, the major UK plans are financed through a separate pension fund, while the other plans are mainly financed through independent administrative funds/insurance companies.

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 2014 are NOK 645.3 million, of which NOK 472.0 million are related to the defined benefit pension plans and NOK 173.3 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 organized in one Norwegian pension fund (employees employed before 1 January 2005) and in one unfunded pension plan (employees employed before 1 January 2005). The pension assets in the Norwegian pension fund are invested as follows:

MARKET VALUE OF PLAN ASSETS IN NORWAY
AMOUNTS IN NOK MILLION

	31 DEC. 14	31 DEC. 13	1 JAN. 13
Buildings and property	352.0	330.0	273.1
Mutual equity funds and hedge funds	2 325.7	2 222.8	1 776.3
Norwegian bonds and bond funds	1 166.5	745.4	733.6
Non-Norwegian bonds and bond funds	195.0	437.4	619.1
Bank accounts, other assets and liabilities	1 754.2	1 636.0	1 341.5
Total market value of plan assets Norway			
(DNV GL Pension fund)	5 793.4	5 371.6	4 743.6
Actual return on plan assets	459.8	593.3	395.2

PENSION COST
AMOUNTS IN NOK MILLION

	FUNDED NORWEGIAN DEFINED BENEFIT PENSION PLANS		GERMAN DEFINED BENEFIT PENSION PLANS		OTHER DEFINED BENEFIT PENSION PLANS	
	2014	2013	2014	2013	2014	2013
Net present value of this year's pension contribution	169.2	159.8	37.8	11.9	41.5	29.1
Effect of plan changes	175.0	0.0	0.0	0.0	0.0	0.0
Payroll tax	48.5	22.6	0.0	0.0	0.0	0.0
Net present value of this year's pension contribution	392.7	182.4	37.8	11.9	41.5	29.1
Net interest on the net defined benefit liability (asset)	(14.3)	(6.2)	58.6	18.3	7.3	(4.2)
Payroll tax	(2.0)	(1.0)	0.0	0.0	0.0	0.0
Net interest on the net defined benefit liability (asset)	(16.3)	(7.2)	58.6	18.3	7.3	(4.2)

NET PENSION ASSET (LIABILITIES)
AMOUNTS IN NOK MILLION

	FUNDED NORWEGIAN DEFINED BENEFIT PENSION PLANS			GERMAN DEFINED BENEFIT PENSION PLANS			OTHER DEFINED BENEFIT PENSION PLANS		
	31 DEC. 14	31 DEC. 13	1 JAN. 13	31 DEC. 14	31 DEC. 13	1 JAN. 13	31 DEC. 14	31 DEC. 13	1 JAN. 13
Market value of plan assets	5 808.4	5 397.7	4 743.6	61.1	46.1	37.1	2 018.2	1 445.0	1 066.3
Actuarial present value									
of pension liabilities	(5 955.3)	(5 087.6)	(4 634.2)	(2 347.3)	(1 784.0)	(169.3)	(2 311.6)	(1 657.8)	(1 121.1)
Payroll tax	(93.1)	(28.8)	(57.3)	0.0	0.0	0.0	0.0	0.0	0.0
Net pension asset (liabilities)	(240.0)	281.3	52.0	(2 286.1)	(1 737.9)	(132.2)	(293.4)	(212.8)	(54.9)
Hereof recorded as plan assets									
in balance sheet	0.0	283.0	52.0	0.0	0.0	0.0	4.9	0.0	0.0
Hereof recorded as pension									
liabilities in balance sheet	(240.0)	(1.7)	0.0	(2 286.1)	(1 737.9)	(132.2)	(298.3)	(212.8)	(54.9)

The assumptions for calculation of the pension liabilities in Norway have been changed, including reduced discount rate (covered bonds) from 3.9% to 2.3%, salary adjustment from 4% to 3%, pension benefit adjustment from 2% to 1.8% and Norwegian government basis for pension from 3% to 2.5%. The changed assumptions lead to increased pension liabilities of NOK 1 062 million in 2014.

The assumptions (discount rate) for calculation of the pension liabilities in Germany have been changed from 3.5% to 2.2%, leading to increased pension liabilities of NOK 344 million in 2014.

Effective from 31 December 2014, the defined benefit pension plan in Norway was capped at 12G (G = Norwegian government basis for pension). NOK 174 million is reflected as reduced pension liabilities and gain from change of pension plan in 2014.

End of service benefit schemes in some countries outside Norway, considered to be defined benefit schemes, have been actuarially calculated. The total liability not included in above table amounts to NOK 81 million at year-end (NOK 61 million in 2013 and NOK 53 million in 1 January 2013).

THE CALCULATIONS OF THE PENSION
LIABILITIES ARE BASED ON THE FOLLOW-
ING ACTUARIAL ASSUMPTIONS:
AMOUNTS IN NOK MILLION

	NORWEGIAN SCHEMES			GERMAN SCHEMES			OTHER SCHEMES		
	31 DEC. 14	31 DEC. 13	1 JAN. 13	31 DEC. 14	31 DEC. 13	1 JAN. 13	31 DEC. 14	31 DEC. 13	1 JAN. 13
Discount rate ¹	2.3%	3.9%	3.8%	2.2%	3.5-3.6%	3.6%	2.1-3.7%	3.0-4.7%	3.6-4.5%
Projected annual salary									
adjustment	3.0%	4.0%	4.0%	3.0%	3.0%	3.0%	2.0-4.0%	3.0-4.3%	3.0-4.0%
Projected annual increase									
in pension benefit	1.8%	2.0%	2.0%	2.0%	2.0%	2.0%	0.0-3.2%	0.0-3.0%	0.0-3.0%
Projected annual increase									
in Norwegian government									
basis pension	2.5%	3.0%	3.0%						
Expected annual return									
on plan assets	2.3%	3.9%	3.8%	2.2%	3.6%	3.6%	2.1-3.7%	3.8-4.7%	3.6-5.7%

¹ Covered bond rate for Norwegian schemes.

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 65-67 years (Germany). To align with German regulations, the major German pension plans are 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.

SENSITIVITY ANALYSIS OF PENSION CALCULATIONS. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the

reporting period, while keeping all other assumptions unchanged. Sensitivities decrease (increase) the benefit obligation year-end.

ASSUMPTIONS
AMOUNTS IN NOK MILLION

	DISCOUNT RATE		FUTURE SALARY INCREASES	
	0.5% INCREASE	0.5% DECREASE	0.5% INCREASE	0.5% DECREASE
Impact on defined benefit obligation Norwegian plans	583.8	(510.6)	(261.1)	214.7
Impact on defined benefit obligation German plans	174.1	(178.3)	(24.0)	23.8

10 FINANCIAL INCOME AND FINANCIAL EXPENSES

DNV GL GROUP AS		AMOUNTS IN NOK MILLION	DNV GL GROUP AS – GROUP	
2014	2013		2014	2013
3.0	4.5	Dividend from subsidiaries	0.0	0.0
176.0	4.3	Group contribution received	0.0	0.0
0.0	0.0	Profit (loss) from investment in associates (note 16)	22.8	(5.5)
0.0	0.0	Net interest on the net defined benefit liability (asset) (Note 9)	(49.5)	(7.0)
6.7	6.6	Other interest received	35.6	27.4
(4.8)	(3.0)	Net interest expense group companies	0.0	0.0
(12.3)	(0.1)	Other interest expenses	(44.8)	(31.7)
(190.0)	3.4	Currency gains (losses)	118.8	(7.4)
(6.4)	(7.3)	Other financial items	(12.9)	10.1
(27.8)	8.3	Net financial income (expenses)	69.9	(14.1)

11 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 forecasting considers planned investments in non-current assets, financing activities, working capital needs, as well as projected cash flows from operations.

FOREIGN CURRENCY RISK. The Group has revenues and expenses in approximately 70 currencies. Of these, six currencies (NOK, EUR, USD, CNY, KRW and GBP) make up for approximately 76% of the total revenue. In many currencies the group has a natural hedge through a balance of revenue and expenses. The policy of the Group is to hedge significant project exposures and 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 1 965 million. The most important contracts are in USD (61%) and KRW (17%). The Group does not apply hedge accounting and realized and unrealized gains and losses are recognized in the income statement. Unrealized net loss at year-end is NOK 59.8 million.

A change in USD exchange rate of +/- 1 percentage point will lead to a change in operating revenue of approximately +/- NOK 31

million and a change in operating profit (EBIT) of approximately +/- NOK 3 million. A change in EUR exchange rate of +/- 1 percentage point will lead to a change in operating revenue of approximately +/- NOK 53 million and an insignificant change in operating profit (EBIT).

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.

PENSION PLAN RISK. The Group is exposed to volatility in the financial market affecting the value of the pension plan assets. The Group is also exposed to interest rate volatility effecting the pension liabilities. In addition, inflation and real wages development will have impact on the pension liabilities.

12 TAX

DNV GL GROUP AS		AMOUNTS IN NOK MILLION	DNV GL GROUP AS – GROUP	
2014	2013		2014	2013
		Tax expense consists of:		
7.0	0.0	Norwegian income tax	106.2	147.8
0.4	0.3	Income tax outside Norway	656.7	496.6
7.4	0.3	Total tax payable	762.9	644.4
(15.8)	0.0	Change in deferred tax in Norway	45.2	(27.8)
0.0	0.0	Effect of changed tax rate Norway	0.0	5.9
0.0	0.0	Change in deferred tax outside Norway	(133.7)	(129.5)
(15.8)	0.0	Total change in deferred tax	(88.5)	(151.4)
(8.4)	0.4	Tax expense	674.4	493.0
		Tax effect of:		
(8.0)	(25.7)	Tax on profit at 27% (28% in 2013)	454.0	369.1
		Net tax-reducing / tax-increasing temporary differences:		
0.0	0.0	Foreign tax exempt branches	(24.1)	(28.4)
0.0	0.0	Non refundable foreign withholding taxes	27.7	44.8
(0.4)	26.1	Other permanent differences	79.5	87.6
0.0	0.0	Changes of previous years taxes	137.6	(8.1)
0.0	0.0	Tax assets not recognized current year	21.0	7.9
0.0	0.0	Differences between tax rates in Norway and abroad	(21.2)	20.1
(8.4)	0.4	Tax expense	674.4	493.0
		Effective tax rate	40%	42%
		Net tax-reducing / tax-increasing temporary differences:		
0.0	0.0	Non-current assets	3 127.6	3 332.1
0.0	0.0	Current assets	149.5	(93.8)
(59.1)	(0.6)	Liabilities	(3 139.1)	(1 890.9)
0.0	0.0	Tax loss to be carried forward	(1 285.5)	(1 081.7)
(59.1)	(0.6)	Basis for deferred tax asset/liability	(1 147.5)	265.7
27%	27%	Tax rates applied	17%-42%	17%-42%
16.0	0.2	Deferred tax asset	1 192.6	856.2
0.0	0.0	Deferred tax liability	(988.1)	(982.7)

The Group has accumulated tax-loss to be carried forward amounting to NOK 902.6 million. As the future utilization of these tax losses cannot be demonstrated, the related deferred tax asset (DTA) of NOK 186.2 million, is not recognized in the balance sheet.

13 INTANGIBLE ASSETS

AMOUNTS IN NOK MILLION	GOODWILL	CUSTOMER CONTRACTS	CUSTOMER RELATIONS	TECHNOLOGY	TRADEMARKS	OTHER INTANGIBLE ASSETS	TOTAL
Acquisition cost							
1 January 2013	1 035.8	0.0	306.6	11.1	97.4	0.0	1 450.9
Additions	5 545.5	347.5	1 495.5	689.3	340.1	246.7	8 664.6
Translation differences	665.1	9.9	86.5	21.0	23.6	7.4	813.5
Total acquisition cost 31 Dec. 2013	7 246.49	357.4	1 888.6	721.4	461.1	254.1	10 929.1
Additions	219.6	19.0	10.8	79.8	12.6	182.7	524.5
Adjustment to Purchase Price							
Allocation GL SE (note 4)	55.4	0.0	0.0	0.0	0.0	(10.4)	45.0
Translation differences	606.0	30.1	169.0	61.7	40.8	22.6	930.3
Total acquisition cost 31 Dec. 2014	8 127.53	406.5	2 068.4	862.8	514.5	449.0	12 428.9
Accumulated amortization and impairment							
1 January 2013	(35.2)	0.0	(25.9)	(3.5)	0.0	0.0	(64.7)
Amortization	0.0	(32.8)	(71.3)	(40.5)	0.0	(39.8)	(184.5)
Impairment	(18.5)	0.0	0.0	0.0	0.0	0.0	(18.5)
Translation differences	(3.3)	(0.8)	(6.9)	(0.9)	0.0	(0.9)	(12.8)
Total accum. amortization and impairment 31 Dec. 2013	(57.1)	(33.6)	(104.1)	(44.9)	0.0	(40.8)	(280.6)
Amortization	0.0	(129.1)	(194.1)	(163.6)	0.0	(49.2)	(535.9)
Impairment	0.0	0.0	0.0	0.0	0.0	(55.6)	(55.6)
Translation differences	(2.2)	(14.2)	(25.9)	(17.1)	0.0	(8.4)	(67.8)
Total accum. amortization and impairment 31 Dec. 2014	(59.3)	(176.9)	(324.2)	(225.6)	0.0	(154.0)	(939.9)
Net book value							
31 December 2014	8 068.3	229.7	1 744.3	637.2	514.5	295.1	11 489.0
31 December 2013	7 189.4	323.8	1 784.5	676.4	461.1	213.3	10 648.5
Useful life		1-5 years	6-16 years	5-7 years	Indef.	5-10 years	

Other intangible assets mainly consist of capitalised software development costs and acquired software. Goodwill is not amortized, but is tested annually for impairment (note 14). Other intangible assets are amortized linearly, based on evaluation of useful life. Trademarks has an indefinite useful life and are not amortized but tested for impairment annually.

14 IMPAIRMENT TESTING OF GOODWILL

Goodwill obtained through acquisitions is allocated to the Group's business areas and followed up and tested collectively for the group of cash-generating units that constitute the business area. The cash-generating units correspond to DNV GL's business areas Maritime, Oil & Gas, Energy, Business Assurance, Software and Marine Cybernetics. Goodwill is allocated to the business areas as follows:

AMOUNTS IN NOK MILLION	2014	2013
Maritime	2 687.3	2 458.8
Oil & Gas	3 207.8	2 933.9
Energy	1 887.7	1 717.3
Business Assurance	68.2	62.0
Software	17.4	17.4
Marine Cybernetics	199.8	0.0
Total goodwill	8 068.3	7 189.4

The Group has used value in use to determine recoverable amounts for the cash-generating units. Value in use is determined by using the discounted cash flow method. The expected cash flows are based on the business areas' budgets and long-term plans, which are approved by the Board of Directors and executive management. Budgets and long-term plans cover maximum a five year period. After the five years of explicit plans, the cash flows are stipulated by extrapolation.

KEY ASSUMPTIONS

Cost of capital (WACC)	9.0%
Long-term nominal growth rate	1.5%

An increase in WACC of 1% will not result in impairment in any of the cash generating units.

15 FIXED ASSETS

AMOUNTS IN NOK MILLION	LAND, BUILDINGS AND OTHER PROPERTY	OFFICE EQUIPMENT, FIXTURES AND FITTINGS	TOTAL
Acquisition cost			
1 January 2013	920.6	2 071.1	2 991.7
Additions	154.3	303.9	458.2
Additions from business combinations	64.0	259.7	323.7
Disposals	(7.4)	(137.4)	(144.8)
Translation differences	110.5	206.7	317.2
Total acquisition cost 31 December 2013	1 242.0	2 703.9	3 945.9
Additions	75.6	523.2	598.7
Additions from business combinations	8.6	3.2	11.8
Disposals	(2.1)	(109.6)	(111.7)
Translation differences	113.2	274.4	387.6
Total acquisition cost 31 December 2014	1 437.2	3 395.1	4 832.3

FIXED ASSETS CONTINUED
AMOUNTS IN NOK MILLION

	LAND, BUILDINGS AND OTHER PROPERTY	OFFICE EQUIPMENT, FIXTURES AND FITTINGS	TOTAL
Accumulated depreciation			
1 January 2013	203.3	1 552.8	1 756.1
Depreciation for the year	75.6	195.8	271.4
Disposals	(2.7)	(115.4)	(118.0)
Translation differences	24.5	164.8	189.4
Total accumulated depreciation 31 December 2013	300.8	1 798.0	2 098.8
Depreciation for the year	90.8	257.6	348.4
Disposals	(0.8)	(80.3)	(81.1)
Translation differences	34.9	220.3	255.2
Total accumulated depreciation 31 December 2014	425.7	2 195.5	2 621.3
Net book value			
31 December 2014	1 011.5	1 199.6	2 211.1
31 December 2013	941.2	906.0	1 847.1
Useful life	15-67 years	3-15 years	
Depreciation plan	Linear	Linear	

16 INVESTMENT IN ASSOCIATES

In January 2014, NOK 47 million of convertible loan to StormGeo Holding AS, included interests, was converted to equity. The conversion resulted in a gain of NOK 26.3 million. In addition, a capital contribution/share issue of NOK 99 million has been made.

After these transactions, DNV GL Group AS' ownership (through DNV GL AS) in StormGeo Holding AS is 27%. The investment is recognized in accordance with the equity method in the consolidated financial statements.

COMPANY AMOUNTS IN NOK MILLION	BUSINESS OFFICE	OWNERSHIP	ACQUISITION COST	SHARE OF PROFIT FOR THE YEAR	BOOK VALUE
DNV Nemko Presafe AS	Oslo	50%	14.1	(2.2)	6.3
StormGeo Holding AS	Bergen	27%	145.5	25.0	141.1

Book value in StormGeo Holding has in 2014 been adjusted for a negative change in other comprehensive income of NOK 29.4 million.

17 OTHER CURRENT LIABILITIES

	DNV GL GROUP AS - GROUP		
AMOUNTS IN NOK MILLION	31 DEC. 2014	31 DEC. 2013	1 JAN. 2013
Advances from customers	2 052.4	1 897.2	1 165.1
Accrued bonus to employees	624.0	620.7	304.0
Accrued holiday allowances	558.8	503.0	354.3
Unrealized loss (gain) and interest related to forward contracts	58.7	38.1	(171.0)
Accrued expenses and other short-term liabilities	1 290.0	1 104.3	689.9
Total other short-term liabilities	4 584.0	4 163.3	2 342.4

18 TRADE DEBTORS

	DNV GL GROUP AS - GROUP		
AMOUNTS IN NOK MILLION	31 DEC. 2014	31 DEC. 2013	1 JAN. 2013
Gross trade debtors	5 485.9	4 575.2	2 678.4
Provision for bad debts	(344.2)	(307.0)	(100.0)
Net trade debtors	5 141.7	4 268.2	2 578.3

19 OTHER LONG-TERM RECEIVABLES

	DNV GL GROUP AS - GROUP		
AMOUNTS IN NOK MILLION	31 DEC. 2014	31 DEC. 2013	1 JAN. 2013
Loans to employees	59.0	69.9	59.6
Convertible loan to StormGeo Holding AS	0.0	46.7	42.4
Other long-term receivables	300.4	332.7	268.9
Total other long-term receivables	359.5	449.3	370.9

20 PROVISIONS

	DNV GL GROUP AS - GROUP		
AMOUNTS IN NOK MILLION	LITIGATION RISKS	OTHERS	TOTAL
Balance at 1 January 2013	45.1	52.4	97.5
Currency translation differences	6.1	6.7	12.8
Additions	7.5	20.0	27.5
Additions from business combinations	180.9	20.1	201.0
Utilization	(23.0)	(52.3)	(75.3)
Reversal	0.0	0.0	0.0
Balance at 31 December 2013	216.6	46.9	263.5
Current	66.5	35.3	101.8
Non-current	150.1	11.6	161.7
Balance at 1 January 2014	216.6	46.9	263.5
Currency translation differences	14.2	1.7	16.0
Additions	38.0	70.4	108.4
Utilization	(23.0)	(32.6)	(55.7)
Reversal	(57.1)	0.0	(57.1)
Balance at 31 December 2014	188.7	86.4	275.1
Current	78.0	86.4	164.4
Non-current	110.7	0.0	110.7

Provisions for litigation risks concern fair value of pending legal disputes from acquisitions and provisions for other pending legal disputes. Included in other provisions are provisions for restructuring, termination benefits and onerous contracts.

21 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 2014.

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 overdrafted at year-end 2014 with INR 37.8 million.

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 593 million with DNB ASA, NOK 22 million with Handelsbanken and NOK 68 million with Citibank are included in Cash and bank deposits in the balance sheet at 31 December.

Cash and bank deposits in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

22 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 as per year-end 2014 NOK 200 mill was drawn. In addition, NOK 300 mill was drawn short-term from UniCredit Bank AG. The whole amount of NOK 500 mill has been repaid in January 2015.

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.

23 GUARANTEES

DNV GL GROUP AS			DNV GL GROUP AS – GROUP		
31 DEC. 14	31 DEC. 13	1 JAN. 13	31 DEC. 14	31 DEC. 13	1 JAN. 13
0.0	0.0	0.0	293.8	206.1	152.4
AMOUNTS IN NOK MILLION			Guarantee commitments not included in the accounts		

These guarantees are not secured by mortgage.

24 SHARE CAPITAL AND OWNERS

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 Beteiligungsfonds II GmbH & Co. KG with business office in Hamburg, Germany.

25 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 2014 amounts to NOK 222 million.

DNV GL AS has a lease agreement for the office building in Stavanger, Norway with the related party DNV GL Pension fund, the rent expensed in 2014 amounts to NOK 4.5 million.

DNV GL SE has a lease agreement for the office building in Hamburg, Germany with the related party BTK 18 GmbH, the rent expensed for 2014 amounts to NOK 60 million.

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 2014 is NOK 11 million.

DNV GL AS has a service agreement with the related party DNV GL Pension fund for management and administrative services. The revenue reflected for these services in 2014 is NOK 2.7 million.

Several subsidiaries of DNV GL Group AS have business transactions with the related party DNV Nemko Presafe AS. Total revenue reflected in 2014 was NOK 5 million and total expenses incurred NOK 12 million.

Certain key personnel in Germany have received retention bonuses from the related party Mayfair SE in 2014. There are no unsettled retention bonuses as per 31 December 2014. The total retention bonuses received amounts to NOK 61 million in 2014.

26 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

DNV GL GROUP AS – GROUP

AMOUNTS IN NOK MILLION

31 DECEMBER 2014

	FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH P&L	LOANS AND RECEIVABLES	AVAILABLE FOR SALE	OTHER FINANCIAL LIABILITIES
Assets – non-current assets				
Available for sale investments			42.6	
Loans to employees		59.0		
Other long-term receivables		300.4		
Assets – current assets				
Cash and bank deposits		3 978.2		
Trade debtors		5 141.7		
Other debtors		928.5		
Financial liabilities – non-current				
Interest bearing loans and borrowings				500.0
Other non-current liabilities				515.5
Financial liabilities – current				
Trade creditors				476.6
Overdrafts				4.5
Forward contracts	58.7			

31 DECEMBER 2013

	FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH P&L	LOANS AND RECEIVABLES	AVAILABLE FOR SALE	OTHER FINANCIAL LIABILITIES
Assets – non-current assets				
Available for sale investments			42.4	
Loans to employees		69.9		
Convertible loan to StormGeo Holding AS		46.7		
Other long-term receivables		332.7		
Assets – current assets				
Cash and bank deposits		3 874.7		
Trade debtors		4 268.2		
Other debtors		750.9		
Financial liabilities – non-current				
Other non-current liabilities				1 135.5
Financial liabilities – current				
Trade creditors				576.8
Forward contracts	38.1			

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 of the Parent Company and the Group comprise the statement of financial position as at 31 December 2014, the statements of income, comprehensive income, cash flows and changes in equity for the year then ended as well as a summary of significant accounting policies and other explanatory information.

THE BOARD OF DIRECTORS' AND GROUP PRESIDENT AND CHIEF EXECUTIVE OFFICER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS. The Board of Directors and Group President and 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 President and 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 2014 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 President and 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, 30 April 2015
Ernst & Young AS

Finn Ole Edstrøm
State Authorised Public
Accountant (Norway)

AUDITOR'S LIMITED ASSURANCE REPORT ON SPECIFIED INFORMATION IN DNV GL GROUP AS' SUSTAINABILITY REPORT

TO DNV GL GROUP AS

We have been engaged by the management of DNV GL Group AS to perform a limited assurance engagement on certain sustainability information stated as externally assured in the GRI G4 index on page 106 and the inside back cover in the printed version of DNV GL Group AS Annual Report for the financial year 2014.

MANAGEMENT'S RESPONSIBILITY. The Management of DNV GL Group AS is responsible for preparing and presenting the information referenced to in the GRI G4 index in accordance with the reporting criteria as set out in the company's own reporting guidelines as well as the Global Reporting Initiative's (GRI) Guidelines G4.

AUDITOR'S RESPONSIBILITY. Our responsibility is to express a conclusion on the above specified information based on the limited assurance procedures we have performed. The selection of information to be reviewed has been made by the management of DNV GL Group AS. We do not accept, nor assume responsibility to anyone else, except to DNV GL Group AS for our work, for the limited assurance report, or for the conclusion that we have reached.

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information'. The ISAE 3000 standard requires

that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance on whether any matters have come to our attention that would cause us to believe that the above specified information has not been prepared, in all material respects, in accordance with the reporting criteria.

Our limited assurance statement is provided only on the information referenced as externally assured in the GRI G4 index. We have not been engaged to provide assurance on amounts or other disclosures relating to the prior reporting periods presented by DNV GL Group AS. The presented information referenced to in the GRI G4 index is to be considered in connection with the explanatory information on data collection, consolidation and assessments provided by DNV GL Group AS. This independent limited assurance report should not be used on its own as a basis for interpreting DNV GL Group AS performance in relation to its principles of corporate responsibility.

Our review procedures are designed to obtain limited assurance on whether the above specified information are presented in accordance with the Sustainability Reporting Guidelines of the Global Reporting Initiative, G4, in all material respects. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the information referenced to in the GRI G4 index and applying analytical and other evidence gathering procedures, as appropriate. The procedures performed in a limited assurance

engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with IAASB's Standards on Auditing and Quality Control and other generally accepted auditing standards. The procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by the Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

CONCLUSION. Based on our work described in this report, nothing has come to our attention that causes us to believe that the information regarding the above specified information has not, in all material respects, been prepared in accordance with the reporting criteria stated above.

Oslo, 18 May 2015
Ernst & Young AS

Finn Ole Edstrøm
Authorized Public Accountant

Håkan Ulrichs
Partner Climate Change
& Sustainability Services



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ILLUSTRATIONS:
page 8-9 and 28-41
fasett



Gyro: Cover, page 4 (badge), 19
and 24. **Johns Bøe:** page 11, 17,
20 and 21. **Jo Michael:** page 23.
Nina Eirin Rangøy: page
26-27, 48-49, 74-75 and 61.
Damir Cvetojevic: page 57.
Magnus Dorati: page 65.

Erin Heard: page 25 (wind turbines).
iStock: page 25 (food safety).
Alamy: page 14. **Xvision:** page 45.
Statoil/Kim Laland: page 15.
Statoil: page 53 (platform).
Getty Images: page 13, 16,
18 and 53.



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GRI CONTENT INDEX

GENERAL STANDARD DISCLOSURES					
GENERAL STANDARD DISCLOSURES	PAGE NUMBER (OR LINK)	IDENTIFIED OMISSION(S)	REASON(S) FOR OMISSION(S)	EXPLANATION FOR OMISSION(S)	EXTERNAL ASSURANCE
STRATEGY AND ANALYSIS					
G4-1	p. 10-11	N/A	N/A	N/A	Yes
G4-2	www.dnvgl.com/about/sustainability/how-we-govern/key-sustainability-risks-impacts-and-opportunities.html	N/A	N/A	N/A	Yes
ORGANIZATIONAL PROFILE					
G4-3	DNV GL Group	N/A	N/A	N/A	Yes
G4-4	p. 8-9	N/A	N/A	N/A	Yes
G4-5	Inside front cover	N/A	N/A	N/A	Yes
G4-6	Inside front cover	N/A	N/A	N/A	Yes
G4-7	p. 22	N/A	N/A	N/A	Yes
G4-8	Inside front cover, p. 8-9	N/A	N/A	N/A	Yes
G4-9	Number of employees: p. 6. Number of operations: 381 offices in 83 countries. Net sales: p. 76. Total capitalization: p. 81. Quantity of products or services provided: 31	N/A	N/A	N/A	Yes
G4-10	www.dnvgl.com/about/sustainability/people/employment.html	N/A	N/A	N/A	Yes
G4-11	www.dnvgl.com/about/sustainability/people/employment.html	N/A	N/A	N/A	Yes
G4-12	www.dnvgl.com/about/sustainability/value-chain/index.html	N/A	N/A	N/A	Yes
G4-13	Changes in operations: We reduced the total number of offices by 139 following the merging of legacy DNV and GL offices. Changes in capital structure: p. 83. Changes in location of suppliers: www.dnvgl.com/about/sustainability/value-chain/index.html	N/A	N/A	N/A	Yes
G4-14	p. 66, www.dnvgl.com/about/sustainability/environment/index.html	N/A	N/A	N/A	No
G4-15	p. 72	N/A	N/A	N/A	Yes
G4-16	www.dnvgl.com/about/sustainability/partnerships/memberships-of-associations.html	N/A	N/A	N/A	Yes
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES					
G4-17	Entities included in the financial statement: p. 89. All major entities are covered in the GRI report. See scope and boundary for boundaries within these.	N/A	N/A	N/A	Yes
G4-18	p. 51 and www.dnvgl.com/about/sustainability/how-we-report/materiality-assessment.html	N/A	N/A	N/A	Yes
G4-19	www.dnvgl.com/about/sustainability/how-we-report/materiality-assessment.html	N/A	N/A	N/A	Yes
G4-20	www.dnvgl.com/about/sustainability/how-we-report/materiality-assessment.html	N/A	N/A	N/A	Yes
G4-21	www.dnvgl.com/about/sustainability/how-we-report/materiality-assessment.html	N/A	N/A	N/A	Yes
G4-22	No statements since previous year	N/A	N/A	N/A	Yes
G4-23	No significant changes (p.107)	N/A	N/A	N/A	Yes
STAKEHOLDER ENGAGEMENT					
G4-24	www.dnvgl.com/about/sustainability/how-we-govern/engaging-our-stakeholders.html	N/A	N/A	N/A	Yes
G4-25	www.dnvgl.com/about/sustainability/how-we-govern/engaging-our-stakeholders.html	N/A	N/A	N/A	Yes
G4-26	www.dnvgl.com/about/sustainability/how-we-govern/engaging-our-stakeholders.html	N/A	N/A	N/A	Yes
G4-27	www.dnvgl.com/about/sustainability/how-we-govern/engaging-our-stakeholders.html	N/A	N/A	N/A	Yes
REPORT PROFILE					
G4-28	01.01.2014 – 31.12.2014	N/A	N/A	N/A	Yes
G4-29	21.05.14	N/A	N/A	N/A	Yes
G4-30	Annual	N/A	N/A	N/A	Yes
G4-31	www.dnvgl.com/contact/index.html	N/A	N/A	N/A	Yes
G4-32	G4 'Comprehensive', GRI Content Index: www.dnvgl.com/about/sustainability/GRI External assurance	N/A	N/A	N/A	Yes
G4-33	DNV GL seeks external assurance of the GRI aspects identified as 'high materiality' for our external stakeholders, and the process by which we arrived at this conclusion. P. 51.	N/A	N/A	N/A	Yes
GOVERNANCE					
G4-34	Corporate Governance Report p. 6-8 available here: www.dnvgl.com/about/in-brief/corporate-governance.html	N/A	N/A	N/A	Yes
G4-35	Corporate Governance Report p. 7-8 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes
G4-36	DNV GL Group Chief Sustainability Officer reporting to the Chief Executive Officer.				Yes
G4-37	No formal process in place.				Yes
G4-38	p. 20-21				Yes
G4-39	Corporate Governance Report p. 6-8 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes
G4-40	Corporate Governance Report p. 7 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes
G4-41	Corporate Governance Report p. 7 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes
G4-42	Corporate Governance Report p. 10 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes
G4-43	No formal or systematic measure in place, but regular orientation of the company's performance on various topics are conducted.				Yes
G4-44	Corporate Governance Report p. 9 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes
G4-45	Corporate Governance Report p. 10-11 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes
G4-46	Corporate Governance Report p. 9-10 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes
G4-47	Corporate Governance Report p. 9-10 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes
G4-48	The Chief Executive Officer formally reviews and approves the sustainability report and ensures that all material aspects are covered.				Yes
G4-49	Corporate Governance Report p. 11 available here: www.dnvgl.com/about/in-brief/corporate-governance.html				Yes

SCOPE AND BOUNDARY

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.

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).

The process of the materiality assessment and for defining the report content is described in detail on page 51 in this report and on our web page: www.dnvgl.com/about/sustainability/how-we-report/materiality-assessment.html (G4-24 to 27). DNV GL engages with all our key stakeholders frequently 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 stakeholders here: www.dnvgl.com/about/sustainability/how-we-govern/engaging-our-stakeholders.html).

We partner and have a close dialogue with a number of civil society organizations (see page 72-73 for global partnerships) and actively seek their input on how we work, through bilateral 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, as well as on our environmental performance. These aspects are reported on according to the 'Comprehensive' level. We also report on a selection of other relevant GRI indicators (see page 50-51 and on www.dnvgl.com/about/sustainability/how-we-report/materiality-assessment.html).

(G4-17) The report covers all of DNV GL's global operations and subsidiaries, unless stated otherwise throughout the report. In 2014 we have worked systematically to implement unified systems for sustainability reporting across legacy DNV and legacy GL. However, some GRI indicators do not cover the whole group. Where this is the case, we state which entities are covered. All environmental reporting is considered not of materiality, and is therefore not reported according to GRI G4 'Comprehensive' and as such not under the scope of the limited assurance provided by EY. The environmental reporting is limited to locations with more than 40 employees. Based on number of employees by the end of 2014, the environmental reports represent approximately 73%.

This report is in accordance with the GRI G4 Comprehensive, and EY has conducted a limited assurance of specified information in the report.

G4-50	No critical concerns reported.				Yes
G4-51	www.dnvgl.com/about/sustainability/people/employment.html				Yes
G4-52	www.dnvgl.com/about/sustainability/people/employment.html				Yes
G4-53	www.dnvgl.com/about/sustainability/people/employment.html				Yes
G4-54	www.dnvgl.com/about/sustainability/people/employment.html				Yes
G4-55	www.dnvgl.com/about/sustainability/people/employment.html				Yes
ETHICS AND INTEGRITY					
G4-56	www.dnvgl.com/about/in-brief/purpose-vision-values.html www.dnvgl.com/about/sustainability/how-we-govern/index.html www.dnvgl.com/about/sustainability/anti-corruption/compliance-anti-corruption.html	N/A	N/A	N/A	Yes
G4-57	www.dnvgl.com/about/sustainability/anti-corruption/compliance-anti-corruption.html#detect				Yes
G4-58	www.dnvgl.com/about/sustainability/anti-corruption/compliance-anti-corruption.html#detect				Yes

SPECIFIC STANDARD DISCLOSURES

DMA AND INDICATORS	PAGE NUMBER (OR LINK)	IDENTIFIED OMISSION(S)	REASON(S) FOR OMISSION(S)	EXPLANATION FOR OMISSION(S)	EXTERNAL ASSURANCE
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CATEGORY: ECONOMIC					
MATERIAL ASPECT: ECONOMIC PERFORMANCE					
G4-DMA	www.dnvgl.com/about/sustainability/how-we-govern/economic-performance.html				Yes
G4-EC1	www.dnvgl.com/about/sustainability/how-we-govern/economic-performance.html				Yes
G4-EC2	www.dnvgl.com/about/sustainability/how-we-govern/financial-implications-of-climate-change.html				Yes
G4-EC3	www.dnvgl.com/about/sustainability/people/employment.html				Yes
G4-EC4	www.dnvgl.com/about/sustainability/how-we-govern/economic-performance.html				Yes
CATEGORY: SOCIAL					
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK					
MATERIAL ASPECT: EMPLOYMENT					
G4-DMA	www.dnvgl.com/about/sustainability/people/employment.html				Yes
G4-LA1	www.dnvgl.com/about/sustainability/people/employment.html				
G4-LA2	www.dnvgl.com/about/sustainability/people/employment.html				
G4-LA3	www.dnvgl.com/about/sustainability/people/employment.html	Omission: Data on number of maternity and paternity leaves across the organization	The information is currently unavailable	Click on link for explanation about the omission	
MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS					
G4-DMA	www.dnvgl.com/about/sustainability/people/employment.html				Yes
G4-LA4	www.dnvgl.com/about/sustainability/people/employment.html				Yes
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY					
G4-DMA	p. 62-65 and www.dnvgl.com/about/sustainability/health-and-safety/Occupational-health-and-safety.html				Yes
G4-LA5	p. 64 and www.dnvgl.com/about/sustainability/health-and-safety/Occupational-health-and-safety.html				Yes
G4-LA6	www.dnvgl.com/about/sustainability/health-and-safety/Occupational-health-and-safety.html	Omission: Data on gender and sub-contractors	The information is currently unavailable	Click on link for explanation about the omission	Yes
G4-LA7	www.dnvgl.com/about/sustainability/health-and-safety/Occupational-health-and-safety.html				Yes
G4-LA8	https://www.dnvgl.com/about/sustainability/people/employment.html				Yes
MATERIAL ASPECT: TRAINING AND EDUCATION					
G4-DMA	www.dnvgl.com/about/sustainability/people/training-education.html				Yes
G4-LA9	www.dnvgl.com/about/sustainability/people/training-education.html				Yes
G4-LA10	www.dnvgl.com/about/sustainability/people/training-education.html				Yes
G4-LA11	www.dnvgl.com/about/sustainability/people/training-education.html				Yes
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY					
G4-DMA	www.dnvgl.com/about/sustainability/people/diversity.html				Yes
G4-LA12	www.dnvgl.com/about/sustainability/people/diversity.html				Yes
MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN					
G4-DMA	www.dnvgl.com/about/sustainability/people/diversity.html				Yes
G4-LA13	www.dnvgl.com/about/sustainability/people/diversity.html				Yes
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES					
G4-DMA	p. 72-73 and www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html				
G4-LA14	www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html	Omitted: The number and percentage of suppliers are not reported	The information is currently unavailable	Click on link for explanation about the omission	Yes
G4-LA15	www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html	Omitted: Not reported on assessment of impact	The information is currently unavailable	Click on link for explanation about the omission	Yes
MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS					
G4-DMA	p. 56 and www.dnvgl.com/about/sustainability/anti-corruption/compliance-anti-corruption.html#detect				Yes
G4-LA16	p. 56 and www.dnvgl.com/about/sustainability/anti-corruption/compliance-anti-corruption.html#detect				Yes

SUB-CATEGORY: HUMAN RIGHTS					
MATERIAL ASPECT: NON-DISCRIMINATION					
G4-DMA	www.dnvgl.com/about/sustainability/people/diversity.html				Yes
G4-HR3	www.dnvgl.com/about/sustainability/people/diversity.html				Yes
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT					
G4-DMA	p. 72-73 and www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html				
G4-HR10	www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html	Omitted: The number and percentage of suppliers are not reported	The information is currently unavailable	Click on link for explanation about the omission	Yes
G4-HR11	www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html	Omitted: Not reported on assessment of impact	The information is currently unavailable	Click on link for explanation about the omission	Yes
SUB-CATEGORY: SOCIETY					
MATERIAL ASPECT: ANTI-CORRUPTION					
G4-DMA	www.dnvgl.com/about/sustainability/anti-corruption/compliance-anti-corruption.html				Yes
G4-SO3	p. 56 and www.dnvgl.com/about/sustainability/anti-corruption/compliance-anti-corruption.html				Yes
G4-SO4	www.dnvgl.com/about/sustainability/anti-corruption/compliance-anti-corruption.html	Omission: We cannot report on number and percentage of business partners which anti-corruption have been communicated to.	The information is currently unavailable	Click on link for explanation about the omission	Yes
G4-SO5	p. 56	Omission: In 2014, no statistics are available with regards to the termination of contracts with business partners.	The information is currently unavailable	Click on link for explanation about the omission	Yes
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR					
G4-DMA	www.dnvgl.com/about/sustainability/anti-corruption/anti-trust.html				Yes
G4-SO7	www.dnvgl.com/about/sustainability/anti-corruption/anti-trust.html				Yes
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	www.dnvgl.com/about/sustainability/anti-corruption/compliance-anti-corruption.html				Yes
G4-SO8	No significant fines and non-monetary sanctions in terms of: ■ Total monetary value of significant fines ■ Total number of non-monetary sanctions ■ Cases brought through dispute resolution mechanisms				Yes
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY					
G4-DMA	p. 72-73 and www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html				Yes
G4-SO9	www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html	Omitted: The number and percentage of suppliers are not reported	The information is currently unavailable	Click on link for explanation about the omission	Yes
G4-SO10	www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html	Omitted: Not reported on assessment of impact	The information is currently unavailable	Click on link for explanation about the omission	Yes
SUB-CATEGORY: PRODUCT RESPONSIBILITY					
MATERIAL ASPECT: CUSTOMER PRIVACY					
G4-DMA	www.dnvgl.com/about/sustainability/anti-corruption/customer-privacy.html				Yes
G4-PR8	www.dnvgl.com/about/sustainability/anti-corruption/customer-privacy.html				Yes
CATEGORY: ENVIRONMENT					
ENERGY					
G4-DMA	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN3	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN4	No reporting				No
G4-EN5	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN6	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN7	No reporting				No
EMISSIONS					
G4-DMA	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN15	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN16	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN17	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN18	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN19	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
G4-EN20	No reporting				No
G4-EN21	www.dnvgl.com/about/sustainability/environment/energy-emissions.html				No
EFFLUENTS AND WASTE					
G4-DMA	www.dnvgl.com/about/sustainability/environment/waste.html				No
G4-EN22	No reporting				No
G4-EN23	www.dnvgl.com/about/sustainability/environment/waste.html				No
G4-EN24	www.dnvgl.com/about/sustainability/environment/waste.html				No
G4-EN25	No reporting				No
G4-EN26	www.dnvgl.com/about/sustainability/environment/waste.html				No
COMPLIANCE (ENVIRONMENT)					
G4-DMA	www.dnvgl.com/about/sustainability/environment/index.html				No
G4-EN29	0				No
SUPPLIER ENVIRONMENTAL ASSESSMENT					
G4-DMA	p. 72-73 and www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html				Yes
G4-EN32	www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html	Omitted: The number and percentage of suppliers are not reported	The information is currently unavailable	Click on link for explanation about the omission	Yes
G4-EN33	www.dnvgl.com/about/sustainability/value-chain/sustainable-procurement.html	Omitted: Not reported on assessment of impact	The information is currently unavailable	Click on link for explanation about the omission	Yes

SAFER, SMARTER, GREENER



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Driven by our purpose of safeguarding life, property and the environment, DNV GL enables organizations 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.

