ANNUAL REPORTS 2014
FOR STIFTELSEN
DET NORSKE VERITAS

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About Stiftelsen Det Norske Veritas

Stiftelsen Det Norske Veritas is a free-standing, autonomous and independent foundation whose purpose is to safeguard life, property and the environment. This purpose is achieved through its ownership of wholly or partly-owned companies – of which the most important is the DNV GL Group, a classification, certification and technical assurance and advisory company.

The DNV GL Group was formed following the merger between the two classification societies DNV and GL in September 2013. Stiftelsen Det Norske Veritas owns 63.5% of the DNV GL Group through Det Norske Veritas Holding AS. The remaining 36.5% is owned by Mayfair Beteiligungsfonds II GmbH & Co KG.

In addition to its main activity as majority owner of DNV GL Group, Stiftelsen Det Norske Veritas also owns real estate, most notably the headquarters premises at Høvik (outside Oslo) of both Stiftelsen Det Norske Veritas and the DNV GL Group in Norway

CEO'S INTRODUCTION

In 2014, Stiftelsen Det Norske Veritas reached a milestone that only a few companies experience: the celebration of its 150th anniversary.

The foundations' ability to develop and stay relevant over 150 years is in itself a big achievement. Even more so is how our purpose of safeguarding life, property and the environment is as relevant and meaningful today as it was in 1864. And it will be equally important going forward. That is why we chose to use the anniversary year to look ahead. We explored and reported on six themes for the future that show industry pathways for a safer and more sustainable development. In this work we engaged our customers, partners and employees and challenged them about turning risks into opportunities.

The purpose of Stiftelsen Det Norske Veritas is realized mainly through the majority ownership of the DNV GL Group. 2014 was the company's first full financial year, following the merger between DNV and GL in 2013. The successful integration of two such global companies is complex and demanding and it has required extraordinary efforts by many of our 16,000 DNV GL employees. I am very pleased that we were able to maintain a strong customer focus and financial performance while achieving demanding merger integration targets. Although we see challenging times ahead for the maritime and oil & gas markets, DNV GL is well positioned to further develop as the world's leading classification, certification and technical advisory company.

Stiftelsen Det Norske Veritas is also the owner of real estate, notably the headquarters of both Stiftelsen Det Norske Veritas and DNV GL in Norway. It made another important achievement in 2014 by obtaining the final approval for extending the headquarter premises at Høvik with 10,000m² of environmentally friendly office space. We also obtained a long-term lease agreement for a newly constructed 10,000m² office building in Stavanger.

I am confident that Stiftelsen Det Norske Veritas has the strength and position to be a global driving force for a safer and more sustainable future – and remain relevant for the next 150 years.

Henrik O. Madsen
President & CEO

BOARD OF DIRECTORS' REPORT 2014

Stiftelsen Det Norske Veritas is a free-standing, autonomous and independent foundation whose purpose is to safeguard life, property and the environment. This purpose is realized mainly through its majority ownership of DNV GL Group AS. In addition, Stiftelsen Det Norske Veritas has a portfolio of direct and indirect investments in real estate and securities. The Stiftelsen Det Norske Veritas group of companies (Det Norske Veritas) achieved revenues of NOK 21,659 million in 2014 and a net profit after tax of NOK 1,119 million.

Through its fully owned subsidiary Det Norske Veritas Holding AS, Stiftelsen Det Norske Veritas is the majority shareholder of DNV GL Group AS (DNV GL), with 63.5% of the shares, and the sole owner of two real estate companies, Det Norske Veritas Eiendom AS and Rosenberggata 101 AS.

With around 450 subsidiaries in 90 different countries, DNV GL Group AS is the main component of Stiftelsen Det Norske Veritas' consolidated accounts. All of the close to 16,000 dedicated people working to fulfil the purpose of Stiftelsen Det Norske Veritas are employed by DNV GL. Management and administrative services for Stiftelsen Det Norske Veritas and the real estate companies are provided by the subsidiary DNV GL AS pursuant to a Management Service Agreement on arm's length terms.

Stiftelsen Det Norske Veritas' main real estate investment is the group headquarters at Høvik in Norway. In addition, Stiftelsen Det Norske Veritas owns about 90 apartments in the Oslo area and a 10,000m2 office building under construction in Stavanger. Its NOK 2.8 billion portfolio of financial investments mainly comprises money market funds.

Stiftelsen Det Norske Veritas was 150 years old in 2014 and a number of anniversary activities were held during the year. While external professionals were hired to write an extensive history book, "Building Trust", Det Norske Veritas mainly used the opportunity to initiate a number of forward looking activities and in particular to position the newly merged DNV GL entity. Under the theme "Year One - 150 Years", employees, spouses and Det Norske Veritas' most important customers and other external stakeholders were invited to participate in the celebrations.

Up until the end of 2013, Stiftelsen Det Norske Veritas and DNV GL Group AS used the same brand. A need to distinguish Stiftelsen Det Norske Veritas from DNV GL emerged as a consequence of the merger between DNV Group and GL Group in September 2013, when Mayfair Vermögensverwaltungs SE became a 36.5% minority shareholder in the merged entity DNV GL Group AS. Hence, in 2014, a new visual profile and website were created and launched for Stiftelsen Det Norske Veritas.

The merger of GL Group and Det Norske Veritas was completed through a share issue by DNV GL Group AS to Mayfair Vermögensverwaltungs SE against the shares in GL SE. The market value of the transaction was recorded as NOK 9.3 billion. Representations and warranties related to the transaction are being followed up and several items related to pre-merger events remain to be settled between the two parties to the transaction, Stiftelsen Det Norske Veritas and Mayfair Vermögensverwaltungs SE.

DNV GL GROUP AS (DNV GL)

DNV GL is a globally leading classification, certification, technical assurance and advisory company. It has the same purpose as Stiftelsen Det Norske Veritas - to safeguard life, property and the environment – and the same vision of a global impact for a safe and sustainable future. DNV GL is the foremost vehicle for Stiftelsen Det Norske Veritas to achieve its purpose and vision. DNV GL is the result of the merger between DNV and GL in 2013. The merged company had its first full year of operations in

2014 and increased its revenue to NOK 21,623 million. This is an increase of 41.9% from 2013 and is the main reason for Det Norske Veritas' 34.2% revenue increase.

DNV GL is the world leader in ship and offshore classification, a leading independent service provider to the oil and gas industry, a leader in renewable energy and power transmission and one of the world's top three management system certification bodies. It is also a major provider of risk-management and asset-performance software. Substantial efforts and resources went into successfully integrating DNV and GL to form one global organization with almost 16,000 people during 2014. This involved a range of activities: from communicating the common strategy, implementing a joint management system, rolling out a common IT platform and merging offices across the world to launching the new DNV GL brand in all touchpoints and harmonizing tools, processes, and reporting systems. 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.

The company delivered strong financial results while successfully completing ambitious merger-integration goals.

MARKET

The markets in which DNV GL operates are shipping, oil and gas, electric power, business assurance, and software to these industries. 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. Despite a decline in new shipbuilding contracts of more than 20% in terms of gross tonnage compared to 2013, the order book for new ships represents 17% of the total fleet in service. Of the newbuildings ordered in 2014, 20.5% were to DNV or GL Class, measured in gross tonnes, which was satisfactory. DNV GL performed a large number of advisory services mainly supporting ship owners and operators in reducing fuel consumption and increasing efficiency.

Although the market environment is challenging, DNV GL's maritime services met the internal targets set for 2014 and delivered very healthy results. Most notably, the certification of materials and components, verification services, and the ships in operation and offshore class in operation units delivered a strong performance. However, the recent trend for some competing classification societies to offer their services at or below break-even prices affected both DNV GL's newbuilding and ships in operation services.

2014 was a year in which 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. More cost-cutting plans to reduce operational expenditure were introduced and capital expenditure plans were further tightened and some projects delayed. Against this backdrop, DNV GL's Oil & Gas business area was well positioned to support its customers in enhancing safety and efficiency performance in projects and operations.

The company increased its involvement in many mega projects spanning the globe. In the quest for greater industry efficiency, DNV GL played a key role in facilitating the ongoing drive towards standardization, supported by significant investment in its global network of technical and innovation hubs. More than 30 joint industry projects were initiated in 2014, helping to create competence, share knowledge and set standards for sustainable oil and gas operations.

Due to the challenging market conditions, the financial performance of DNV GL's energy arm in 2014 was mixed: solid results for its power testing, inspection, certification and sustainable use services and slightly lower performance for its renewable and energy advisory services. In line with market developments, DNV GL further divested its coal-based power generation services and invested in world-class testing capabilities for solar power, industrial-scale battery storage, and future super grids.

DNV GL – Business Assurance performed very well in 2014, with higher growth rates than its peers. The growth was particularly strong in the target sectors of food and beverages and health care. This was achieved in spite of difficult economic conditions in some of its 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, an independent business area, achieved significant revenue growth in license sales and implementation services for most of its product lines. 2014 also saw DNV GL acquire the Norway-based software testing company Marine Cybernetics.

INNOVATION

Innovation is a cornerstone of DNV GL's business model and 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 DNV GL's 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 insights 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, 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 as a result of the merger. The Strategic Research and Innovation unit has a primary focus on foresight, 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.

INVESTMENTS IN REAL ESTATE AND THE FINANCIAL MARKETS

Stiftelsen Det Norske Veritas, together with its main subsidiaries has had its head office at Høvik in Bærum, outside Oslo since 1976. The site is owned by Det Norske Veritas Eiendom AS and has a total size of approximately 40 hectares, most of which is regulated as an outdoor public recreation area. The Veritas Centre itself covers an area of around 9 hectares and has a unique location in the terrain sloping down towards the fjord. The area consists of a park, which is also open to the general public and contains office buildings and some former industrial buildings from the Høvik Verk glass factory. The main office buildings, Veritas 1 (1976) and Veritas 2 (1983), comprise a total of 72,000m2 of office space and two multi-storey car parks for 1,050 cars in total. The Veritas 1 and Veritas 2 office buildings are rented out to DNV GL in their entirety.

DNV GL now needs more office premises than those which are currently available in the Veritas Centre. Short-term solutions in the form of temporary buildings and rented premises in the Høvik area are being used, but in the longer term only an increase in the Veritas Centre's office capacity will be satisfactory.

The process to obtain approval for a third office building in the Veritas Centre (Veritas 3) has been extensive and time consuming, but a new area zoning plan was finally approved by Bærum Municipality Council on 26 February 2014. Later in the year, Det Norske Veritas Eiendom AS entered into a construction contract for a 10,000m2 new office building and an underground car park for 200 cars, and DNV GL signed a 10 year rent agreement for the new buildings. The new parking facility will be finalized in early 2016 and the Veritas 3 office building will be ready by Christmas 2016.

Veritas 3 will be a building which supports Det Norske Veritas' business profile in the environmental, energy and sustainable development fields. The energy-consumption target is Energy Class "passive house" and the new building will achieve the BREEAM grade of EXCELLENT.

Det Norske Veritas Eiendom AS has for more than 30 years owned a plot next to the DNV GL office building in Stavanger. The plot was demerged from Det Norske Veritas Eiendom AS and merged into Rosenberggata 101 AS, a company with the purpose of constructing a new 10,000m2 office building to be rented out to Centrica Energy on a long lease starting in March 2015.

FINANCIAL PERFORMANCE

The consolidated statements for Det Norske Veritas include Stiftelsen Det Norske Veritas and all the companies in which Stiftelsen Det Norske Veritas directly or indirectly has controlling interest.

With effect from 2014, including comparable figures from 2013, Stiftelsen Det Norske Veritas 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.

Stiftelsen Det Norske Veritas Group recorded revenues of NOK 21,659 million, an increase of 34.2% compared to 2013. Of a pro-forma 10% revenue growth (GL Group fully included from 1 January 2013 and the sale of DNV Petroleum Services AS in 2013 excluded), 4% is organic growth in DNV GL Group, less than 1% is non-organic growth 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 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. Measures to address this were launched towards the end of the year. Marine Cybernetics has been included in DNV GL AS since May 2014 and contributed revenues of NOK 72 million for the eight month period. External revenues in the two real estate companies in 2014 are NOK 36 million in line with last year.

Earnings before interest, tax and amortizations (EBITA) was slightly reduced from NOK 2,313 million in 2013 to NOK 2,299 million in 2014. However, excluding the NOK 637 million sales gain for the sale of DNV Petroleum Services AS in 2013, the positive EBITA development is primarily driven by classification and verification services to the maritime and oil & gas sectors. After amortization of intangible assets of NOK 592 million in 2014, the operating profit (EBIT) for the Group is 1,707 million.

Net financial income in 2014 was NOK 165 million. Det Norske Veritas' financial investments outside DNV GL and the real estate companies achieved a return of NOK 76 million in 2014. The weakening of the NOK in 2014 led to a positive currency effect of NOK 118 million due to gains on exposure in foreign currencies. In addition, net interest costs on defined benefit pension plans amounted to NOK 50 million and profit from associated companies amounted to NOK 23 million in 2014.

The tax expense in 2014 is estimated to be NOK 753 million, representing a 40% average tax rate for the Group. Wealth tax in the Foundation, 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 30%, the same level as in the previous years.

The net profit for 2014 was NOK 1,119 million. The net cash flow for the year was positive by NOK 149 million. The cash flow from operations was NOK 1,718 million in 2014. The cash flow from operations reflects strong results and positive currency effects, but was partly offset by an increase of NOK 709 million in working capital. The cash flow from investments was NOK -1,951 million in 2014. Tangible assets investments of 774 million are mainly from investments in the real estate companies (NOK 162 million) and investments related to laboratories in Energy and Oil & Gas. Acquisitions in 2014 amount to NOK 387 million and settlement to minority shareholders in N.V. KEMA NOK 670 million. The cash flow from financing activities was NOK 382 million, including external loans of NOK 500 million and dividends paid to the minority shareholder in DNV GL Group of NOK 122 million in 2014.

At the year-end, Stiftelsen Det Norske Veritas had liquidity reserves of NOK 6,272 million and unused credit lines of NOK 3,100 million. The Group has a strong balance sheet with an equity ratio of 64% of total assets, after accrual for dividend to the minority shareholder in DNV GL Group AS. 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 actuarial gain of NOK 208 million from the actual return on plan assets in excess of the discount rate. A 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, Stiftelsen Det Norske Veritas, show a loss for the year of NOK 8 million. The Board of Directors proposes to cover the loss for the year 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 Det Norske Veritas' financial performance as strong and liquidity as very good. Both provide a robust platform from which to fulfil the purpose and independence of a financially strong foundation.

STRATEGY

The strategy for Stiftelsen Det Norske Veritas is to remain the majority shareholder in DNV GL and to grow and expand this business. Stiftelsen Det Norske Veritas will ensure that its equity and available funds are sufficient and provide the required liquidity and flexibility to be a long term majority owner of DNV GL. Det Norske Veritas will remain the owner of the headquarter premises at Høvik in Norway and further develop the potential of this area to meet the needs for office facilities of its subsidiary companies located in the Oslo area.

ORGANIZATION

The Group Chief Executive Officer of Det Norske Veritas 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.

Stiftelsen Det Norske Veritas and DNV GL Group headquarters are at Høvik, just outside Oslo, Norway. The parent company, Stiftelsen Det Norske Veritas, has no employees. All employees in Det Norske Veritas are employed by DNV GL 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. In addition, there are two independent business units: Software and Marine Cybernetics. 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 the business areas and independent business units. The purpose of having global shared services is to facilitate common processes and control of quality and costs.

The merging of DNV and GL offices continued according to plan in 2014 and 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, Det Norske Veritas will have a global network with 353 offices in 90 countries.

At 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%). There is no indication that employee turnover has increased or that the trends in exit reasons have changed significantly as a consequence of the merger and integration process.

A career in Det Norske Veritas 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%. Det Norske Veritas strives for the diversity of its workforce to be reflected at all management levels. The proportion of female managers is now 22%. The Board of Directors of Stiftelsen Det Norske Veritas consists of five men and five women.

The continued integration of employees from DNV and 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 individual performance management process, the career model and harmonized compensation and benefits. The harmonization of compensation and benefits was one of the largest integration projects in 2014.

DNV GL uses the People Engagement Process to measure employee engagement and enablement and identify aspects of the working environment that should be addressed. In 2014, the People Engagement Process was implemented for all employees. The annual survey was conducted in September, and 92.3% of employees gave their opinions. 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.

Areas to improve highlighted in the survey 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 KPI in 2015 on improving key performance management aspects by 3%. There will also be continued efforts to ensure that everyone in DNV GL has a clear line-of-sight between their personal goals and the Group strategy.

GOVERNANCE

The Board has decided to issue a separate annual corporate governance report for Stiftelsen Det Norske Veritas based on the principles that apply to listed public limited companies in Norway. More information on Stiftelsen Det Norske Veritas corporate governance can be found in a separate report on www.detnorskeveritas.com.

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 Det Norske Veritas that could affect corporate values, reputation and key business objectives. Det Norske Veritas 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.

Det Norske Veritas' main risks are related to the activities in DNV GL. 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.

A focus area was the integration process between DNV and GL, which affected all levels of the organization and was monitored closely throughout the year. This work is ongoing and a special Group-driven 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 the company is managing this risk in a satisfactory manner.

DNV GL calculates its risk capacity on an annual basis, taking into account the most important risk factors. This exercise gives a measurable overview of the key quantified risks and DNV GL's capacity to take on additional risk.

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.

Interest rate risk: as Det Norske Veritas has limited external borrowings the exposure to interest rate risk is primarily related to the company's defined benefit pension commitments. Lower interest rates over the past few years have led to an increase in the pension commitments. Det Norske Veritas' policy is to limit the number of defined benefit pension schemes. In addition, there is limited exposure to the risk of changes in market interest rates related to Det Norske Veritas' financial investments.

Foreign currency risk: Det Norske Veritas 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 Group has a natural hedge through a balance of revenue and expenses.

Credit risk: receivable balances are monitored on an ongoing basis with the result that Det Norske Veritas' exposure to bad debts is limited. There are no significant concentrations of credit risk within Det Norske Veritas. With respect to credit risk arising from the company's other financial assets, which comprise cash, cash equivalents and certain derivative instruments, Det Norske Veritas' 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: Det Norske Veritas 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.

CORPORATE SUSTAINABILITY

Det Norske Veritas' 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.

Det Norske Veritas 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.

Rather than considering sustainability as a separate issue, Det Norske Veritas seeks to integrate it as a perspective in everything it does. Throughout 2014, it was a priority to deepen the integration of sustainability into businesses and operations. Several projects were launched to foster a culture of transparency, ethics and sustainability particularly focusing on developing new training for our employees and assessing impact in the company's value chain based on a materiality assessment conducted with internal and external stakeholders in 2012/2013.

The Board of Directors maintains the overall responsibility for Det Norske Veritas sustainability performance. 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 performance of the company in this area and provides advice to the Executive Management on related risks and opportunities.

DNV GL also launched a partnership with the Monday Morning 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.

2014 was also the 10th anniversary of Det Norske Veritas' partnership with the Norwegian Red Cross, and this was marked by donating a rescue boat to the organization.

Det Norske Veritas also donated a rescue boat to the Norwegian Society for Sea Rescue (Redningsselskapet) in 2014.

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

BUSINESS ETHICS AND ANTI-CORRUPTION

Det Norske Veritas does not tolerate corruption or bribery. This principle is clearly outlined in the Code of Conduct. The main objective of this code is to ensure that Det Norske Veritas 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 Det Norske Veritas companies and employees must follow this code of conduct.

Based on this approach, DNV GL established a new compliance programme with three focus areas: prevention, detection 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 instruction on the reporting of misconduct defines the reporting lines for allegations of misconduct through the line management, Ombudsmen or Group Compliance Officer.

HEALTH, SAFETY AND THE ENVIRONMENT (HSE)

One of Det Norske Veritas Eiendom AS' long term subcontractors hired a contractor in August 2014 to repair a gate in the Veritas Centre at Høvik in Norway. The contractor suffered a fatal accident on site while unpacking his equipment. No employees of Det Norske Veritas were involved or participated in the operation, but the accident happened at Stiftelsen Det Norske Veritas headquarters. An extensive investigation was carried out in order to understand what caused the accident and to identify possible measures to prevent similar accidents in the future.

DNV GL's implementation of the Group-wide HSE Management System was confirmed by the Group passing the re-certification process and receiving a combined certificate according to the BS OHSAS 18001 and ISO 14001 standards.

A global initiative was decided upon in 2014 to strengthen the safety culture across the organization and ensure that all employees take responsibility for their own and other people's 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.

Group HSE performance measurement processes and indicators are now aligned across the organization and a common Group-wide HSE reporting procedure has been established. The sickness absence rate remained stable at around 2%. The lost time accident frequency (LTA) per million worked hours decreased 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 absences was 1.0 per million hours worked in 2014, which is the same as in 2013. There have been 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.

OUTLOOK

The outlook for Det Norske Veritas is closely linked to the outlook for DNV GL. 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 rate was slower 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 is 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 this will 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 the oil price towards the end of 2014, and the current price level may be here to stay 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 is seriously affected by the reduced investment activity.

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

Within the energy sector, DNV GL focuses on renewable energy, electricity transmission & distribution and sustainable energy use. Investments in the renewable energy sectors may be influenced by the reduced cost of fossil fuel, trade agreements and political decisions and subsidies. However, the Board believes that this sector together with power transmission & distribution and sustainable energy use will continue to create many opportunities for DNV GL in the coming years. The company's in-depth knowledge of renewables, its expertise in transmission and distribution grids and strong position within Testing, Inspection and Certification, fits the current market need for the rapid integration of renewables into the grid, and offers clear business opportunities for the years to come.

The demand for sustainable business, global best practices and standards and business innovation is expected to continue to increase, and DNV GL is in a good position to develop and take on roles and industry positions in these areas. The Board of Directors believes that Det Norske Veritas' performance in 2014 demonstrates that the company has maintained its 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 real estate activities of Det Norske Veritas have long term rent agreements. The financial investments are expected to experience reduced returns due to the lower interest rate level.

The Board acknowledges and sincerely thanks the management and employees of Det Norske Veritas for the hard work and commitment displayed throughout 2014.

Høvik
27th May 2015

Leif-Arne Langøy
(Chairman)
sign.

Morten Ulstein
(Vise-Chairman)
sign.

Sille Grjotheim
sign.

Rebekka Glasser Herlofsen
sign.

Christelle G. V. Martin
sign.

David McKay (Deputy)
sign.

Mette Bandholtz Nielsen
sign.

C.Thomas Rehder
sign.

Odd E. Sund
sign.

Hilde M. Tonne
sign.

Clemens Keuer
(Observer)
sign.

Henrik O. Madsen
(President & CEO)
sign.

REPORT ON CORPORATE GOVERNANCE 2014

A. INTRODUCTION

Stiftelsen Det Norske Veritas ("DNV" or the "Foundation") considers sound corporate governance to be paramount to secure trust in DNV's fulfilment of its purpose *"to safeguard life, property and the environment"*, and a cornerstone for achieving the greatest possible value creation over time in the best interest of DNV's stakeholders.

DNV is incorporated as a Norwegian foundation (No: "Stiftelse").

DNV owns 63.5 percent of DNV GL Group AS ("DNV GL Group") through its wholly owned subsidiary Det Norske Veritas Holding AS ("DNV Holding"). In addition to its majority ownership in DNV GL Group, DNV owns Det Norske Veritas Eiendom AS and Rosenberggata 101 AS whose main assets are real estate in Høvik and in Stavanger respectively (both in Norway), and financial assets.

DNV's corporate governance practices were amended in connection with the DNV GL merger in 2013 in order to adapt to the change from having been a 100 percent owner and group managing entity to the new situation of being a controlling shareholder. However governance principles applied prior to the DNV – GL merger were maintained. The key principles are:

- the importance of representation of stakeholders in the Council,
- supervision by public authorities, statutory auditor and governing bodies
- transparent, recognizable and credible governance practices
- governance measures that match, to the extent possible and reasonable, the highest requirements in relevant laws and guidelines such as the Public Limited Companies Act and the Norwegian Code of Practice for Corporate Governance (the "Code of Practice"), and
- generation of sufficient profit to fulfil the Foundation's purpose over time.

REPORTING STANDARDS

The Board maintains its practice to report annually on corporate governance according to principles that apply to listed public limited companies in Norway, and to apply these corporate governance principles to the extent relevant for DNV as a foundation without shareholders or owners.

This report is based on

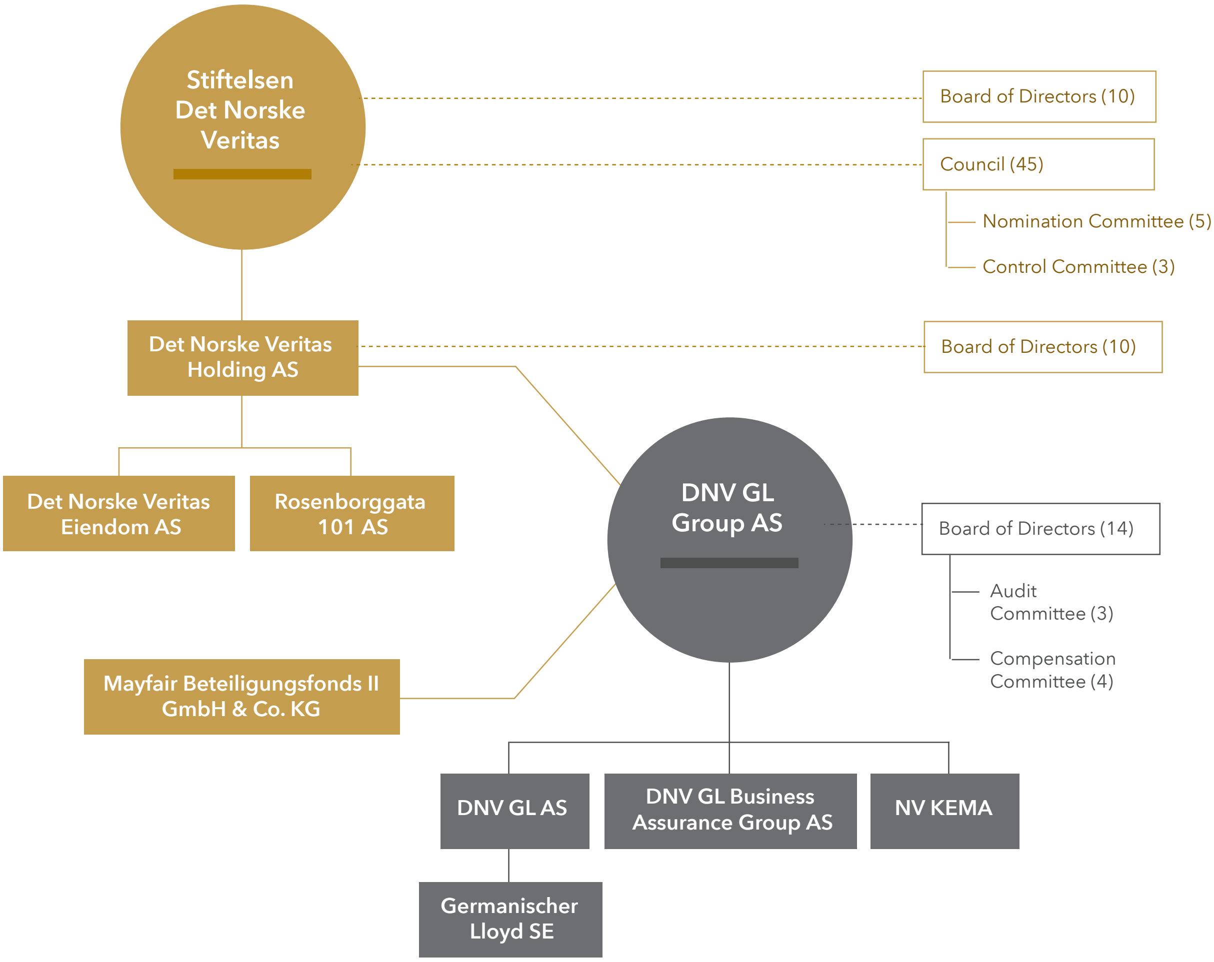
- The 15 sections of the Norwegian Code of Practice for Corporate Governance ("the Code of Practice"). The report includes a detailed discussion of each of the 15 individual sections of the Code of Practice. The Code of Practice provides recommendations, and requires that the company describes how it fulfils the recommendations, on which sections it deviates, and an explanation for the deviations. The full Code of Practice with comments is available on the web site of the Norwegian Corporate Governance Board, www.nues.no.
- Norwegian Accounting Act Section 3-3b which holds obligatory requirements for Norwegian listed public limited companies to report on corporate governance.

This report fulfils both of these reporting obligations as if DNV were a listed company.

For more details on how the reporting requirements for listed companies in the Norwegian Accounting Act (LOV-1998-07-17-56) are included in this report see page 20.

The Norwegian Association of Foundations has also issued guidelines for the governance of foundations, available on *http://www.stiftelsesforeningen.no/* (in Norwegian only). These guidelines are based upon the Code of Practice with adjustments to make them suitable for more traditional foundations with a distribution purpose. The corporate governance review of DNV performed in 2012 concluded that the Code of Practice is more comprehensive and more suitable to a large business entity like DNV than the guidelines issued by the Association of Foundations.

OVERVIEW OF THE CORPORATE GOVERNANCE STRUCTURE OF DET NORSKE VERITAS



Therefore DNV considers that it complies with the guidelines issued by the Association of Foundations as DNV based its practices on a more comprehensive standard.

The Board of Directors ("the Board") is the principal body of the Foundation. This deviates from the governance of public limited companies where the General Meeting is the principal body. Pursuant to the Norwegian Foundation Act ("Foundation Act") only tasks and responsibilities which are specifically listed in the Foundation Act may be vested in other bodies than the Board. In DNV, all such tasks and responsibilities to the extent permitted by the Foundation Act have been vested in the DNV Council ("the Council").

The Council's main functions are to supervise the Board's management of the Foundation, to elect the members of the Board of Directors and to determine their remuneration, to approve amendments to the DNV Statutes, and to state its opinion on the Board's annual report and financial statements. The Council has 45 members who represent customer industries and other stakeholders. Seven of the members are elected by and among the employees of DNV GL and its subsidiaries worldwide.

The Council and the Board are described in Section 8 herein. The Council's Control Committee supervises the Board of Director's management of the Foundation on behalf of the Council. The Control Committee is also described in the same Section 8.

The Council's Nomination Committee nominates candidates to all elections to be held by the Council, and proposes remunerations to be decided by the Council. The Committee is described in Section 7, "Nomination Committee".

The statutory auditor is elected by the Council and reports to the Board.

DNV operates through its wholly owned holding company, DNV Holding which is governed by the Norwegian Private Limited Companies Act. The Board of DNV Holding consists of the same members as the Board of the Foundation. These board members are also elected as members of the board of DNV GL Group AS.

B. THE 15 SECTIONS OF THE CODE OF PRACTICE.

1. IMPLEMENTATION AND REPORTING ON CORPORATE GOVERNANCE

Corporate Governance Policy – deviations from the Code of Practice

The Board has decided that it will comply with the Code of Practice to the extent relevant for a foundation. As DNV is a foundation and as such has no shareholders, parts of the Code of Practice will not be applicable for DNV, and the reporting will have to be adjusted accordingly.

This report includes information on

- the sections of the Code of Practice to which DNV complies,
- information on where the Code of Practice is not considered as relevant for a foundation, and
- explanations of sections in relation to which DNV deviates from the Code of Practice.

The following sections of the Code of Practice will generally not be applicable;
Section 3 (Equity and Dividends), Section 4 (Equal Treatment of Shareholders), Section 5 (Freely Negotiable Shares), Section 6 (General Meetings), and Section (14 Take-Overs).

To some extent relevant topics related to these sections of the Code of Practice will still be discussed in the report. For instance, the Code of Practice's references to "shareholders" may in some cases be replaced with a discussion relating to DNV's stakeholders. Further, the Code of Practice's references to the "General Meeting" or "Corporate Assembly" may in some cases be replaced with references to the DNV Council. Some deviations from the Code of Practice are justified where statutory legislation for a foundation deviates from that of a public limited company. All adjustments and deviations are explained in the relevant sections in the report.

DNV has no shareholders, but answers to the purpose of the Foundation and to society at large. Fundamental functions for the corporate governance of DNV are therefore on one hand to protect DNV's independence and integrity to fulfil its purpose, and on the other hand to honour the legitimacy it earns from its stakeholders and its moral responsibility towards society.

DNV and other foundations lack the ownership control which is normally embedded in corporate governance for companies with owners. This lack of control is however mitigated by other measures. The Foundation Act prescribes public supervision of foundations by the Norwegian Foundation Authority. This is a supervisory measure not found in relation to limited liability companies. In addition, DNV's corporate governance also includes supervision of the Board's management by the Council, and by the Control Committee acting on behalf of the Council.

With the DNV GL merger, DNV's role was changed from being the group managing entity to that of a controlling shareholder. For the sake of completeness, this report may therefore be read in context with the Corporate Governance Report 2014 issued by the board of DNV GL Group AS. In order to maintain proximity between DNV and the DNV GL Group, the DNV Board with support from the Council has established the following measures:

- The directors of the Board of the Foundation participate directly in the group management of DNV GL group as DNV's representatives on the boards of DNV Holding and DNV GL Group AS. DNV is represented with 6 of 9 shareholder-elected directors on the DNV GL Group Board of Directors;
- The Council's Nomination Committee considers the total composition of the DNV GL Group AS Board's taking into account the need for expertise and diversity of background;
- The remunerations for directors on the boards of DNV Holding and DNV GL Group AS are anchored with the Council, and
- An employee representation scheme is established so that the same directors elected by and among the employees serve as directors and/or observer on the boards of the Foundation, DNV Holding and DNV GL Group AS.

These measures are further described in Section 7 and 8 below.

Corporate Values, Ethical Guidelines and Corporate Sustainability

DNV places great emphasis on its corporate values. DNV's purpose is "*to safeguard life, property and the environment*". The Statutes state that the purpose may be achieved through the ownership in partly-owned companies. Following the DNV GL merger DNV's purpose is fulfilled through the ownership in DNV GL Group AS.

DNV's and DNV GL's shared vision is "*Global impact for a safe and sustainable future*". The values that support the vision are: "*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.*"

DNV adheres to DNV GL's ethical guidelines. The basis of DNV GL's ethical guidelines is the DNV GL Code of Conduct. The Code of Conduct describes the requirements and expectations for business and personal conduct of employees and officers of the group and its subcontractors while performing work on behalf of DNV GL. The Code of Conduct further describes DNV GL's commitment to its stakeholders, and how the requirements of responsible business practices and ethics are embedded in the core of DNV GL's business.

In 2003, DNV signed the UN Global Compact ("Global Compact"). The Global Compact requires commitment to ten universal principles related to human rights, labour rights, environmental standards and anti-corruption. It requires that the company makes the principles an integral part of its business strategy, day-to-day management and organizational culture, and that the principles are integrated in the decision-making process of the Board. This commitment is carried on in the DNV GL group.

DNV GL has also committed to report according to the Global Reporting Initiative ("GRI"). GRI is a reporting standard created through a multi-stakeholder approach for sustainability reporting. The purpose is to include social and environmental performance in the company's Annual Report, and to focus on alignment with the goals of society. DNV GL has committed to report according to the G4 Guidelines, Comprehensive level for 2014.

In 2014 DNV GL established the Corporate Sustainability Board (CS Board). The CS Board acts as advisers to the Group Executive Committee on issues related to corporate sustainability and oversees DNV GL's performance in these areas. All Executive Leadership Teams from the four business areas are represented in the CS Board.

2. BUSINESS
The overall purpose of DNV is "*To safeguard life, property and the environment*". The business of DNV is stated in the Statutes Section 1 as follows: "*The Foundation undertakes classification, quality assurance and certification of ships, facilities and systems, and carries out research in connection with these functions. Moreover, provided its integrity is not impaired, the Foundation may perform assignments which exploit its know-how or which contribute to the development of know-how that may be required for the performance of these tasks. This purpose may be achieved through participation by the Foundation in wholly or partly-owned companies.*"

The complete Statutes are available on DNV's website www.detnorskeveritas.com.

Following the DNV GL merger, the purpose is achieved through the 63.5 percent ownership in DNV GL Group AS. The business and main functions of the Foundation are therefore to manage the ownership in DNV GL Group AS and its other assets, and in particular to ensure that the purpose of the Foundation is fulfilled through the ownership in the DNV GL Group.

DNV GL Group's main objectives and strategies are described in the DNV GL Group AS' Board of Directors' Annual Report.

3. EQUITY AND DIVIDENDS
As of 31 December 2014, DNV had a total equity of NOK 20 861 727 029. The Board continually reviews DNV's capital situation in light of DNV's objectives, strategies and risk profile. The Board considers the total equity to be satisfactory.

Being a foundation, DNV does not have any owners or any share capital. The Code of Practice's references to dividend policy and board mandates to increase share capital are therefore not relevant for DNV.

Since DNV as a foundation cannot raise capital through issue of shares, prudent management of the capital base is of great importance. The Board has adopted a financial policy to ensure that the capital of DNV is managed in a way that enables DNV to fulfil its purpose as this is stated in DNV's Statutes. DNV GL Group AS has stated that it intends to distribute as dividend 50% of the annual net profits subject to assessment of cash flow, capital expenditure plans, financing requirements and financial flexibility. Received dividends will contribute to DNV's capital base.

The Board is particularly focused on ensuring that the equity and available funds keep DNV in a position where it can maintain its controlling position in the DNV GL Group.

4. EQUAL TREATMENT OF SHAREHOLDERS AND TRANSACTIONS WITH CLOSE ASSOCIATES
As DNV does not have owners, equal treatment of shareholders is not a relevant topic for DNV.

Agreements between the Foundation and a Board member or the Chief Executive Officer, if any, are subject to Board approval. Agreements between the Foundation and third parties in which a Board member or the Chief Executive Officer may have a special interest are also subject to Board approval.

The disqualification rules in the Foundation Act apply to the Board's handling of agreements mentioned above.

The DNV directors are also elected as directors in DNV Holding and DNV GL Group AS. The Board has closely assessed whether, as an alternative governance model, DNV should be governed by a board composed of directors who have no roles in the subsidiaries. The assessments concluded that in the current situation, it is preferable for the fulfilment of DNV's purpose and the management of DNV GL group that there is proximity between the stakeholders as represented in DNV's Council and the group management. This proximity is achieved through the multiple directorship arrangement. The Board has also concluded that the Board's normal exercise of ownership in - and arrangements with these subsidiaries - does not impact the directors' impartiality.
With respect to DNV GL's other employees, DNV GL's Code of Conduct sets forth rules for transactions between DNV and DNV GL. With respect to transactions between

the Foundation and DNV GL Group AS or other subsidiaries, possible conflicts of interest between the companies, including extraordinary transactions between the entities, are handled with due care to ensure arm's length terms. The Board Instructions for DNV states that the Board shall be aware of possible conflicts of interest in transactions between the Foundation and its subsidiaries on one hand, and DNV GL Group AS and its subsidiaries on the other hand. The Board shall ensure that appropriate measures to mitigate such conflicts of interests are applied, for example, by obtaining independent advice. Examples of such transactions are the lease of office premises in Norway provided by DNV to the DNV GL group, and the management services provided by DNV GL group to DNV. The Council's Control Committee shall monitor such transactions on behalf of the Council.

5. FREELY NEGOTIABLE SHARES

Given that DNV is a foundation without shares or owners, transfer of shares is not relevant.

6. GENERAL MEETING

Given that DNV is a foundation with no owners or shareholders, there is no general meeting in DNV. The Code of Practice, Section 6 (concerning general meeting) is therefore not relevant for DNV.

For the sake of completeness, it is mentioned that the DNV Council has some functions that resemble a general meeting of a limited company, but in fact, the Council has more in common with a corporate assembly (No: "Bedriftsforsamling") regulated by the Public Limited Companies Act. We have therefore chosen to discuss the Council in light of the Code of Practice, Section 8 (see below).

7. NOMINATION COMMITTEE

The DNV Council elects the members of the Board who are not elected by and among the employees and fixes the remuneration for all Board Members. DNV therefore applies the recommendations in the Code of Practice related to nomination committees, adjusted so that reference to "shareholders" in the Code of Practice is replaced by references to DNV's stakeholders, and references to the "General Meeting" in the Code of Practice is replaced by reference to the Council. Further, particular details on the procedure for determining the remuneration to "committee members" in DNV is adjusted as described below.

The Nomination Committee's composition and role is defined in the DNV Statutes (Section 10) and the Committee works under instructions from the Council. The Council has adopted instructions for the Nomination Committee that specify guidelines for the Committee's procedures and considerations. This includes the obligation to present its justified recommendations to the Council. The Chairman of the Nomination Committee shall invite and discuss matters of principle with the Council. Council Members shall be given the opportunity to propose candidates to the Nomination Committee.

The Nomination Committee's mandate is to submit recommendations to the Council with respect to elections and remuneration as further detailed below.

The Nomination Committee submits recommendation to the Council for the election of:

- Members of the Board of Directors, including Chairman and Vice-Chairman who shall be nominated separately;
- Chairman and Vice-Chairman of the Council;
- Council Members that according to the Statutes shall be elected by the Council;
- Chairman and Members of the Control Committee, and
- Members of the Nomination Committee.

To promote governance proximity between the Council and DNV GL Group, the directors of the Foundation will be elected directors of both DNV Holding and DNV GL Group AS by the respective general meetings. The Nomination Committee's mandate includes a duty to take this proximity into account in their assessments.

The Committee shall also take into account the total composition of the Board of DNV GL Group AS including the three directors appointed by the minority shareholder. The Committee may communicate with the minority shareholder regarding appointments to the Board of DNV GL Group AS prior to submitting its recommendation to the Council. Based on agreement with the DNV GL Group AS

Board, the DNV Nomination Committee also has access to the DNV GL Group AS Board's self-assessments.

In respect of appointments to the Council, the Nomination Committee shall ensure that the Council as a whole has representation from major industry customer groups served by DNV. The Nomination Committee shall communicate with the associations that, according to the Statutes, also appoint members to the Council to ensure that the associations' appointments meet the needs of the Council.

The Nomination Committee shall submit recommendations for the remuneration of members of the Board of Directors as well as members of Council and its Committees. Remuneration of members of the Board of Directors is decided by the Council. With respect to remuneration of members of Council and its Committees, the Council forwards its recommendation to the Board of Directors for the Board's decision.

The Nomination Committee shall make its recommendation for remuneration of directors of the Foundation, DNV Holding and DNV GL Group AS respectively. The Committee shall take into account whether directors are serving on more than one board, the total workload and the commitment expected.

All decisions regarding remunerations to Board members of DNV Holding and DNV GL Group AS are vetted by the Council in order to ensure proximity and a solid decision process.

This process related to remuneration is further described under Chapter 11 Remuneration of the Board of Directors and Council.

The Code of Practice recommends that the general meeting determines the remuneration to "committee members". The Board of the Foundation does not have any committees. Committees in DNV will therefore be the committees of the Council, i.e. the Control Committee and the Nomination Committee. The Foundation Act does not permit the task to determine remuneration to Council Members and Council Committee Members to be vested with other bodies than the Board. The remuneration to the Council Committees is therefore determined by the Board, subsequent to recommendation from the Council.

The Nomination Committee is composed of the chairman and the vice-chairman of the Council, and three additional members elected from and among the Council members. The Committee currently consists of:

- **Walter Qvam**,
  Chairman of the Council and the Nomination Committee,
  CEO, Kongsberg Gruppen ASA,
- **Sturla Henriksen**,
  Vice-Chairman of the Council and the Nomination Committee,
  Director General, Norwegian Shipowners' Association,
- **Helle Hammer**,
  Member of the Council and the Nomination Committee,
  Director General, The Nordic Association of Marine Insurers (CEFOR)
- **Karl Erik Kjelstad**,
  Member of the Council and the Nomination Committee,
  Investment Director at Akastor ASA
- **Wenche Nistad**,
  Member of the Council and the Nomination Committee,
  Managing Director at the Norwegian Guarantee Institute for Export Credits (GIEK)

The Statutes provide for a rotation of the members of the Committee at least every second year, so that the elected member of the Committee with the longest service as Committee member may not take re-election.

The Committee Members represent industries with different stakeholder interests in DNV. All members are considered as independent of the Board and executive management.

8. COUNCIL AND BOARD OF DIRECTORS – COMPOSITION AND INDEPENDENCE

The Council

DNV does not have a corporate assembly. The DNV Council in many ways resembles the corporate assembly of a public limited company. The Council is therefore described in this section.

The Council's main functions are to supervise the activities of the Foundation, to elect the Board of Directors, to decide on remuneration for the Board of Directors, to approve amendments to the DNV Statutes and to state its opinion on the Board's Annual Report and financial statements.

The Council has 45 members, of which 27 members are appointed by associations which represent customer industries and other stakeholders, seven members are elected by and among the employees of DNV GL and its subsidiaries worldwide, and up to eleven members are elected by the Council itself.

The Statutes regulate the composition of the Council (Section 6) and ensure that it represents a broad cross-section of DNV's stakeholders.

The Council Members and the associations electing or appointing the Members are (as per April 15th 2015):

Appointed by The Nordic Association of Marine Insurers (Cefor)

Hammer, Helle..Oslo
Nummedal, Tron K.....................................Oslo
Rhodin, Lars...................................Gothenburg
Ringbakken, Svein A..................................Oslo
Roppestad, Rolf Thore.............................Arendal
Scheel, Georg..Oslo
Wikborg, Ole...Oslo

Fiskebåtredernes forbund
(The Norwegian Fishing Vessel Owners Association)

Jonny Berfjord......................................Dønna

Norges Rederiforbund
(Norwegian Shipowners' Association)

Bakken, Karl-Johan................................Ålesund
Brandvold, Ivar......................................Oslo
Basili, Irene Waage................................Bergen
Henriksen, Sturla....................................Oslo
Jebsen, Hans Peter...................................Oslo
Kleivdal, Trond......................................Oslo
Kristoffersen, Lasse.................................Oslo
Møkster, Anne Jorunn.............................Stavanger
Wilhelmsen, Thomas...................................Oslo

Norsk Olje og Gass
(Norwegian Oil and Gas Association)

Brækken, Gro.................................Stavanger*
Fitzgerald, Stuart...............................Stavanger
Færøvik, Kristin.....................................Oslo
Halle, Torjer..Oslo
Kielland, Gro G..................................Hafrsfjord
Thorvaldsen, Knut................................Stavanger

Næringslivets Hovedorganisasjon
(Confederation of Norwegian Business and Industry)

Bernander, John G..............................Kristiansand
Kjelstad, Karl Erik..................................Oslo
Lund, Kristin Skogen.................................Oslo
Rynning-Tønnesen, Christian..........................Oslo
Qvam, Walter.......................................Kongsberg

DNVs råd
(The Council)

Baksaas, Jon Fredrik.................................Oslo
Boersma, M.A.M...................Oosterbeek, the Netherlands
Henriksen, Berit Ledel.............................Lysaker
Fotini, Karamanli...........................Piraeus, Greece
Lieungh, Simen.....................................Bergen
Michelet, Åse Aulie..................................Oslo
Nistad, Wenche.......................................Oslo
Reite, Roy..Ålesund
Svenning, Sverre B...................................Oslo
Sørensen, Christina G.......................Holte, Denmark
Wærsted, Gunn..Oslo

By and among the employees of DNV GL world wide

Baake, Mirjam	Dresden, Germany
Berglund, Anna	Stockholm, Sweden
Ivarsen, Nina	Oslo
Fang, Jian Guo	Shanghai, China
Stavridis, Vassilis	Piraeus, Greece
Yin, Han Jun	Shanghai, China
Østby, Morten	Oslo

** Gro Brækken only functions as member of the Control Committee.*

The DNV GL employees also elect up to seven deputy members.

The term of office for the members of the Council is two years with reappointment or re-election possible. No member may serve for more than twelve years. The chairman and vice-chairman are elected from and among Council members.

Walter Qvam, Chief Executive Officer of Kongsberg Gruppen ASA, is elected as Chairman of the Council. Sturla Henriksen, Director General of the Norwegian Shipowners' Association is the Vice-Chairman.

The Statutes regulate the tasks and procedures of the Council. The procedures are to a great extent aligned with those of a corporate assembly of a public limited company. The Council has two committees: the Control Committee which is described below, and the Nomination Committee which is described in Section 7.

Control Committee

The Control Committee's composition and role is defined in the DNV Statutes (Section 9) and the Committee works under instructions from the Council. The Council has adopted instructions for the Control Committee that specify guidelines for the Committee's procedures and considerations.

The Control Committee's mandate is to supervise the Board's management of the Foundation on behalf of the Council. The Control Committee shall in particular oversee that:

- the management is performed in an appropriate and reassuring way, and in accordance with laws, regulations and the Statutes; and
- the Board of Directors has established proper external and internal control and risk management systems.

The Control Committee's function is to oversee the DNV Board's safeguarding of the Foundation's purpose and management of its assets. The Control Committee's functions are further described in Chapter 10 herein, "Risk management and internal control".

The Control Committee consists of a Chairman and two other members elected from and among the Council Members. According to the Council's instructions for the Control Committee, the Committee shall be composed so that it has financial and legal expertise and has general knowledge of the services provided by DNV. Elected by the Council in June 2013, the Committee currently consists of:

- **Ivar Brandvold,**
  Member of the Council and
  Chairman of the Control Committee,
  Chief Executive Officer of Fred Olsen Energy ASA
- **Gro Brækken**,
  Member of the Control Committee
- **Sverre B. Svenning**,
  Member of the Council and the Control Committee,
  Director marine research at Astrup Fearnley AS

All members are considered as independent of the Board and executive management. When nominating the current members for election in June 2013, the Nomination Committee concluded that the lack of legal expertise may be compensated by the fact that the Secretary of the Control Committee is a qualified lawyer and the in-house legal counsel of DNV GL Group, and that the Committee has relevant expertise and knowledge.

The Board of Directors

The Board currently consists of ten members and currently has the following composition:

- **Leif-Arne Langøy,**
  Chairman of the Board of Directors,
  LAPAS AS
- **Morten Ulstein,**
  Vice-Chairman of the Board of Directors,
  Borgstein AS
- **Sille Grjotheim,**
  Member of the Board of Directors,
  DNV GL AS
- **Rebekka Glasser Herlofsen,**
  Member of the Board of Directors,
  Torvald Klaveness Group AS
- **Christelle G. V. Martin,**
  Member of the Board of Directors,
  Engie group
- **David McKay,**
  Deputy member of the Board of Directors (replacing Wang Wei Dong who left the company in January 2014),
  Det Norske Veritas (U.S.A.), Inc.
- **Mette Bandholtz Nielsen,**
  Member of the Board of Directors,
  Det Norske Veritas, Danmark A/S
- **C. Thomas Rehder,**
  Member of the Board of Directors,
  Carsten Rehder GmbH&Co KG
- **Odd E. Sund,**
  Member of the Board of Directors,
  DNV GL AS
- **Hilde M. Tonne,**
  Member of the Board of Directors,
  Telenor Group ASA

Following the DNV GL merger, the Statutes were amended to include a board observer. The amendment became effective in February 2014 following the approval from the Norwegian Foundation Authority. Clemens Keuer (DNV GL SE) is currently the elected board observer.

Detailed information of the individual directors can be found in the Annual Report of DNV GL Group AS 2014, page 20 and 21.

The Board is composed in a manner so that it can attend to the common interests of all stakeholders and meet DNV's need for expertise, capacity and diversity. Emphasis is placed on the Board functioning effectively as a collegial body.

The Chairman and Vice-Chairman are elected by the Council. The directors are elected for two-year terms with the possibility for re-election, and directors can according to the Statutes, not be a member beyond twelve years.

Amongst the directors elected by the Council, each gender shall be represented by at least three members. Both genders shall be represented amongst directors and deputy members elected by and among the employees. As a foundation, DNV is not subject to mandatory legislation on gender diversity. However in accordance with DNV's aim to comply with principles that apply to listed public limited companies in Norway, the DNV Statutes include such requirements.

Being a foundation, DNV does not issue shares, and members of the Board can therefore not own shares in the company. The Code of Practice's recommendation regarding share ownership is therefore not relevant for DNV.

The Board's Independence
All Council-elected directors are considered autonomous and independent of DNV's executive management as well as DNV's material business contacts. The guidelines for the Nomination Committee's work instruct the committee to take into account that the Board should be composed so that no specific industry, stakeholder group or customer group has dominance in the Board. The Board does not include executive personnel.

Election of the Board of Directors
Six members of the Board are elected by the Council. The Nomination Committee makes recommendations according to guidelines set by the Council. The nominations are sent to the Council members prior to the election. Board elections take place with simple majority with a quorum formed with at least half of the Council Members present.

Four members of the Board and one observer are elected by and among the employees of DNV GL worldwide. The elections take place in four separate constituencies and elections are staggered. The role of observer rotates amongst the non-Norwegian employee-elected Board Members according to a rotation scheme agreed between management and the employees and approved by the Norwegian Working Democracy Committee (i.e. "Bedriftsdemokratinemnda").

The constituencies are,
- Norway (elects two members of the Board)
- Germany (elects one member of the Board, alternatively one observer)
- Europe – excluding Norway and Germany (elects one member of the Board alternatively one observer)
- Worldwide – excluding Europe (elects one member of the Board alternatively one observer)

9. THE WORK OF THE BOARD OF DIRECTORS

Board Responsibilities
The Board of Directors is DNV's principal authority and the Board has the authority to make decisions in all matters that in the Statutes are not explicitly vested with the Council or other governing bodies of DNV. The rights, duties and responsibilities of the Board follow from the Foundation Act, the Accounting Act and other relevant legislation, the Statutes of DNV and the Board's own instructions.

The Board directs and oversees the activities of DNV. The Board determines the objectives and strategies for DNV in collaboration with the Chief Executive Officer. The Board approves DNV's business plan, financial plan and budgets, and has established policies and guidelines for DNV's operations. The Board appoints the Chief Executive Officer of the Foundation. Matters to be handled by the Board are further outlined in the Board instructions. The Board's work in 2014 is described in the Board of Director's report.

Following the DNV GL combination, the Board's scope of work was revised to reflect that the DNV GL Group AS Board became the group management board of the DNV GL Group. The Board's main function is now to ensure that the purpose of the Foundation as stated in the Statutes is achieved through the majority ownership in DNV GL Group AS, and that all assets of the foundation are managed in the long term interest of the Foundation. By electing all DNV directors as directors of DNV Holding and DNV GL Group AS, there is proximity between the Foundation and the group management performed through the holding companies.

The Board instructions also cover the following items: instructions for the Chief Executive Officer, Board meeting procedures, and rules on minutes of meetings, working committees, impartiality, confidentiality, Code of Conduct and group governance.

Board Meetings
The Board adopts an annual meeting and activity plan each year. The plan includes agenda items for each meeting. The plan stipulates six ordinary meetings to be held per year. Additional meetings will be held when considered necessary.

In 2014 seven Board meetings were conducted in the months of February, April, June, August, September, October and December. The Board held its meetings at the Head office in Høvik (Norway), with the exception of the April meeting held in Hamburg, Germany and the August meeting held in Rio de Janeiro, Brazil.

Participation in the Board meetings and Board subcommittees in 2014 was close to 100%. Board meetings in DNV Holding are held in parallel with the Board meetings of the Foundation.

Notice of meetings together with the agenda is prepared by the Chief Executive Officer and the Chairman of the Board. Notice of meeting, agenda and supporting documentation, including information on DNV's financial status, are made available to the Board Members well in advance of each meeting. The Board Instructions state that the chairman, at the beginning of each meeting or agenda item, shall inform the Board of discussions he has had with the Chief Executive Officer prior to the Board meeting about relevant issues. In order to ensure a more independent consideration of matters of a material character in which the Chairman of the Board is, or has been, personally involved, the Board considers if the deliberations of such matters should be chaired by some other member of the Board.

In addition to the directors, the Board meetings are attended by the Chief Executive Officer, the Secretary to the Board and other persons from the executive management as designated by the Chairman and the Chief Executive Officer. Normally, the Chief Financial Officer attends the meetings. The chairman may also invite other persons and experts to attend meetings of the Board.

The Board is bound by the rules regarding disqualification/conflicts of interest as they appear in Section 37 of the Foundation Act. The guidelines for efficient practice of these rules are further specified in the Board's instructions.

Board Committees
The Board has no committees.

The Board's Self-Evaluation
The aim is that the Board shall evaluate its own over-all performance and expertise once per year. No such over-all evaluation was made in 2014. However the Board regularly conducts self-evaluations at the end of the Board meetings.

The General Manager/Chief Executive Officer
The General Manager/Chief Executive Officer ("CEO") of the Foundation is appointed by the Board of Directors and conducts the day-to-day management of the Foundation. The current arrangement is that the CEO of DNV GL is seconded to also be the CEO of Stiftelsen Det Norske Veritas as well as DNV Holding AS. As the Foundation does not have any employees, management services including the CEO, are provided to DNV by DNV GL AS in accordance with a Management Service Agreement entered into on an arm's-length principle.

There is a clear division of duties between the Board and the CEO. The CEO is responsible for ensuring that DNV is organised, run and developed in accordance with the Foundation Act, the Statutes and decisions adopted by the Board. The overall functions and duties of the CEO are set out in the Board instructions.

10. RISK MANAGEMENT AND INTERNAL CONTROL
Risk Management and internal control are important for DNV in respect of the separate activities of both DNV and the DNV GL Group. The corporate governance report for DNV GL Group describes the risk management and internal control for the group.

As for its own activities, the Foundation has decided to be part of the risk management and internal control system established for the DNV GL Group. DNV adheres to DNV GL's management systems, corporate systems and policy documents including Code of Conduct to the extent relevant. The services provided by DNV GL AS to DNV include the services of the compliance officer, internal auditor and Ombudsman as described in DNV GL Group's Corporate Governance Report. The Board will on an ongoing basis consider whether to establish a separate internal auditor for the Foundation, but has to date not found it necessary.

DNV has significant financial investments and has established a policy document and risk management procedures for the financial management.

The Council's Control Committee's mandate was amended in 2013 to focus on the Board's role as caretaker of the Foundation's specific interests. The role of the Control Committee, as described in Chapter 8 above, is to oversee and supervise the Board of Directors of the Foundation. The supervision from the Control Committee is considered as a tool for the Council to oversee the interests that are specific for the Foundation. The task of the Committee includes particularly overseeing that the Board has established proper external and internal control and risk management systems. The Committee's tasks include:

- monitoring transactions and other possible conflicts of interest between the Foundation and DNV GL, or between the Foundation and other companies in the DNV GL Group, and
- reviewing the following documents from the DNV GL Board: minutes, group risk reports, internal auditor's reports, compliance reports and other documents considered as relevant for the Control Committee's functions.

The oversight and supervisory functions include the Foundation and the companies fully owned by the Foundation.

11. REMUNERATION OF THE BOARD AND THE COUNCIL

Remuneration of the directors of the Board is decided by the Council following a recommendation from the Nomination Committee. Remuneration of the Council leadership and committee members is decided by the Board following a recommendation from the Council, based on input from the Nomination Committee.

According to the Council's instructions for the Nomination Committee, the Nomination Committee shall base its recommendation on information regarding levels of remuneration paid to board and committee members of comparable companies and of comparable scope of work and commitment that the board and committee members are expected to devote to the Foundation and its subsidiaries. The remuneration is not linked to DNV's or DNV GL's performance.

The Chairman and the Vice-Chairman of the Council as well as the Committee Members are remunerated. The Chairman and the Vice-Chairman of the Council receive remuneration in their capacities as such and not in their capacities as Nomination Committee Members. There is also a policy for compensation of Council members' travel.

None of the directors elected by the Council work for DNV outside of their directorships, and none have any agreement regarding pension plan or severance pay from DNV. If such assignments should become relevant, the instructions for the Board's state that any such agreement between the Foundation and a Board member is subject to Board approval.

See Note 8 to the financial accounts for a break-down of fees paid to directors in 2014.

12. REMUNERATION OF EXECUTIVE PERSONNEL

Following the DNV GL merger, the Foundation and its fully-owned subsidiaries have no employees or executive personnel. Management services are provided to the Foundation by DNV GL AS pursuant to the Management Services Agreement. The Code of Practice Section 11 on remuneration of executive personnel is therefore not relevant for the Foundation. The DNV GL Board has prepared a declaration on executive management remuneration in accordance with the obligation applicable to Public Limited Companies.

13. INFORMATION AND COMMUNICATIONS

Guidelines for reporting financial and other information to shareholders and the securities market does not apply to a foundation. DNV's long tradition of disclosing a comprehensive publication which includes the Annual Report with externally audited financial reporting is continued also with the annual report for DNV GL Group.

DNV's Annual Report is distributed to the Council and freely available on request.

It is publicly available on DNV's website www.detnorskeveritas.com.

DNV GL Group's Annual Report includes reporting on its social and environmental performance in addition to financial reporting. The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines and the principles of the UN Global Compact are applied in the preparation of the Annual Report.

14. TAKE-OVERS

A foundation has by definition no owners, and as such maynot be subject to take-over bids as described in the Code of Practice, Section 14. This section is therefore not relevant for DNV.

As a principle, a foundation may not be subject to any take-over, other than by termination or a conversion of the foundation, which may only take place on certain extremely restricted conditions as further specified in the Foundation Act. Conversion or termination is subject to approval by the Norwegian Foundation Authority and such approval can only be granted on very restrictive conditions specified in the Foundation Act.

According to DNV's Statutes termination would be subject to resolution by the Council with two-thirds majority in two successive ordinary Council meetings and pursuant to proposition by the Board of Directors exclusively.

DNV's purpose as stated in the Statutes bolsters DNV's position as free-standing, autonomous and independent.

15. AUDITOR

The statutory auditor is elected by the Council. The Board shall support the Council in such elections and normally the election will be made based on a proposal from the Board. The Council's Control Committee shall be invited to state its opinion on the Board's proposal regarding the election.

Ernst&Young (EY) was elected as auditor in 2002 and has later been re-elected. As a consequence of internal rotation according to principles in the Statutory Auditors Act, Finn Ole Edstrøm took over as the EY lead auditor in 2009.

The rules in the Statutory Auditors Act, Chapter 5A (regarding entities of public interest as defined in the Act), do not apply to DNV. The Act includes rules on transparency of reporting and rotation of the responsible auditor. However, the auditor applies these rules for DNV, and the Board shall ensure that the requirements are met by the auditor.

Pursuant to the Foundation Act, the auditor shall in its annual audit report provide a statement regarding whether the foundation has been managed and distributions have been made in accordance with legislation, the purpose of the foundation, and the Statutes.

A summary planned by the auditor shall be presented to the Board once a year.

At least one meeting per year will be held between the external auditor and the Board without the presence of the CEO or the executive management.

At least once a year, the auditor presents a review of DNV's internal control procedures to the Board, including identified weaknesses and proposals for improvement.

The auditor submits a written statement to the Board on compliance with the statutory audit and independence requirements in the Statutory Auditors Act.

The Board has not established guidelines in respect of the use of the auditor by the executive management for services other than the audit, but this will be considered in coordination with DNV GL Group AS.

The remuneration of the auditor is determined by the Board in accordance with the Foundation Act. In addition to ordinary auditing of the Foundation and subsidiaries, the statutory auditors provided tax consulting services, other attestation services, and non-audit services. For details, see Note 8 in the 2014 financial statements.

Høvik
30 April 2015

Leif-Arne Langøy
(Chairman)
sign.

Morten Ulstein
(Vise-Chairman)
sign.

Sille Grjotheim
sign.

Rebekka Glasser Herlofsen
sign.

Christelle G. V. Martin
sign.

David McKay (Deputy)
sign.

Mette Bandholtz Nielsen
sign.

C.Thomas Rehder
sign.

Odd E. Sund
sign.

Hilde M. Tonne
sign.

Clemens Keuer
(Observer)
sign.

Henrik O. Madsen
(President & CEO)
sign.

ATTACHMENT 1 – About reporting standards in the Accounting Act.

The reporting requirements of the Accounting Act are included or otherwise taken into account in the individual sections as listed below:

- *"a statement of the code of practice and regulatory framework on corporate governance to which the company is subject, or with which it has elected to comply".*
  Described in Section 1: Implementation and Reporting of Corporate Governance.

- *"information on where the code of practice and regulatory framework mentioned in no 1 is publicly available".*
  Described in Section 1: Implementation and Reporting of Corporate Governance.

- *"the reasons for any non-conformance with recommendations and regulations mentioned in no 1".*
  Described in Section 1: Implementation and Reporting of Corporate Governance.

- *"a description of the main elements of the company's internal control and risk management systems associated with the financial reporting process, and where the entity that is required to prepare accounts also prepares consolidated accounts, the description must include the main elements of the group's internal control and risk management systems associated with the financial reporting process".*
  Described in Section 10: Risk Management and Internal Control.

- *"an account of any provisions in the articles of associations that completely or partially extend or depart from the provisions stipulated in Chapter 5 of the Public Limited Companies Act".*
  Described in Section 6: General Meetings.

- *"the composition of the board of directors, the corporate assembly, the committee of representatives and the control committee, and of any committee of such corporate bodies, and a description of the main elements in the prevailing instructions and guidelines for the work of these corporate bodies and of any committees thereof".*
  Described in Section 8: Council and Board of Directors - composition and independence, and Section 9: The Work of the Board of Directors, Chief Executive Officer and Group Executive Management.

- *"the provisions of the articles of association that regulate the appointment and replacement of members of the board of directors".*
  Described in Section 8: Council and Board of Directors - Composition and Independence.

- *"an account of any provisions in the articles of association or authorizations that allow the board to decide that company is to repurchase or issue its own shares or its own equity certificates".*
  Described in Section 3: Equity and Dividends.

According to the Accounting Act, Section 3-3c large enterprises shall issue a presentation detailing what the enterprise does to integrate considerations relating to human rights, labour rights and social conditions, the external environment and anti-corruption efforts in their business strategies, in their daily operations and in relation to their stakeholders (the "Corporate Sustainability Presentation").

The Corporate Sustainability Presentation as a mandatory rule was introduced in 2013. As DNV GL reports in accordance with existing international reporting schemes such as the United Nations Global Compact the framework of Global Reporting Initiative, it is assumed that DNV GL's reporting is fully compliant with the obligations in the Accounting Act, Section 3-3c.

DNV's Corporate Sustainability Presentation is described in Section 1: Implementation and Reporting on Corporate Governance.

FINANCIAL STATEMENTS

On May 15th 2014 Stiftelsen Det Norske Veritas received formal approval from the Norwegian Ministry of Finance to submit its accounts in English only.

KEY FIGURES

Amounts in NOK million

	2014 IFRS	2013 IFRS	2012 NGAAP	2011 NGAAP	2010 NGAAP
Income statement:					
Operating revenue	**21 659**	16 138	12 850	10 156	9 792
EBITDA	**2 670**	2 619	1 433	1 235	983
Depreciation	**371**	306	236	150	155
EBITA	**2 299**	2 313	1 198	1 085	828
Amortization	**592**	203	179	64	44
EBIT/ Operating profit	**1 707**	2 110	1 018	1 022	783
Net financial income (expenses)	**165**	35	87	66	128
Profit before tax	**1 873**	2 144	1 105	1 088	911
Profit for the year	**1 119**	1 578	719	730	613
Balance sheet:					
Non-current assets	**17 052**	15 476	4 492	2 445	2 334
Current assets	**15 649**	14 016	7 628	7 538	6 529
Total assets	**32 701**	29 492	12 120	9 983	8 863
Equity	**20 862**	19 282	7 349	6 092	6 261
Non-current liabilities	**4 996**	4 288	1 320	1 212	338
Current liabilities	**6 843**	5 922	3 451	2 679	2 264
Cash flow items, working capital and investments:					
Purchase of tangible fixed assets	**774**	610	236	132	169
Working capital	**8 806**	8 094	4 177	4 859	4 265
Cash flow	**149**	682	(895)	754	452
Number of employees	**15 712**	16 107	10 532	8 453	8 440
Financial ratios:					
Profitability:					
EBITDA margin	**12.3%**	16.2%	11.2%	12.2%	10.0%
EBITA margin	**10.6%**	14.3%	9.3%	10.7%	8.5%
Operating margin	**7.9%**	13.1%	7.9%	10.1%	8.0%
Pre tax profit margin	**8.6%**	13.3%	8.6%	10.7%	9.3%
Net profit margin	**5.2%**	9.8%	5.6%	7.2%	6.3%
Liquidity:					
Liquidity reserves	**6 727**	6 532	3 179	4 074	2 867
Leverage:					
Equity ratio	**63.8%**	65.4%	60.6%	61.0%	70.6%

Definition of ratios:

Profitability:

EBITDA:
Earnings before interest, tax, depreciation and amortization

EBITDA margin:
EBITDA x 100 / Operating revenue

EBITA:
Earnings before interest, tax and amortization

EBITA margin:
EBITA x 100 / Operating revenue

Operating margin:
Operating profit x 100 / Operating revenue

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

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

Liquidity:

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

Liquidity reserves:
Cash and bank deposits + Short-term financial investments

Leverage:

Equity ratio:
Equity x 100 / Total assets

CONSOLIDATED INCOME STATEMENT

Amounts in NOK million

STIFTELSEN DET NORSKE VERITAS				STIFTELSEN DET NORSKE VERITAS GROUP	
2014	2013		Note	**2014**	2013
		Operating revenue			
0.0	0.0	Sales revenue		**21 659.0**	15 501.3
0.0	0.0	Gain on sale of business activities		**0.0**	636.5
0.0	0.0	**Total operating revenue**	5	**21 659.0**	16 137.9
		Operating expenses			
0.0	0.0	Payroll expenses	6,8,9	**11 597.5**	8 536.6
0.0	0.0	Depreciation	15	**370.7**	306.0
0.0	0.0	Amortization and impairment	13	**591.5**	203.0
11.3	4.5	Other operating expenses	7,8	**7 392.0**	4 982.7
(11.3)	(4.5)	**Operating profit**		**1 707.3**	2 109.6
		Financial income and expenses			
0.0	0.0	Income/ (loss) from associates	16	**22.8**	(5.5)
33.2	35.7	Financial income	10	**276.1**	109.6
(0.0)	(0.0)	Financial expenses	10	**(133.6)**	(69.4)
33.2	35.7	Net financial income (expenses)		**165.3**	34.7
21.9	31.2	**Profit (loss) before tax**		**1 872.6**	2 144.3
(29.6)	(32.9)	Tax expense	12	**(753.4)**	(565.8)
(7.6)	(1.8)	**Profit (loss) for the year**		**1 119.2**	1 578.4
		Profit for the period attributable to:			
		Non-controlling interest		**375.8**	17.2
		Equity holders of the parent		**743.4**	1561.2
		Total		**1 119.2**	1 578.4

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(7.6)	(1.8)	**Profit (loss) for the year**	**1 119.2**	1 578.4
		Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
		Actuarial gains/(losses) on defined benefit pension plans	**(920.2)**	97.4
		Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
		Currency translation differences/Translation differences foreign operations	**1 707.0**	1 084.5
		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**	983.7
(7.6)	(1.8)	**Total comprehensive income for the period**	**1 876.5**	2 562.2
		Total comprehensive income attributable to:		
		Non-controlling interest	**652.2**	376.3
		Equity holders of the parent	**1 224.3**	2 185.9
		Total	**1 876.5**	2 562.2

CONSOLIDATED BALANCE SHEET

Amounts in NOK million

STIFTELSEN DET NORSKE VERITAS					STIFTELSEN DET NORSKE VERITAS 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				
0.0	0.0	0.0	Deferred tax assets	12	**1 196.0**	857.0	412.4
0.0	0.0	0.0	Goodwill	13,14	**8 193.7**	7 289.2	1 000.6
0.0	0.0	0.0	Other intangible assets	13	**3 420.7**	3 459.1	385.6
0.0	0.0	0.0	Total intangible assets		**12 810.5**	11 605.3	1 798.6
			Tangible fixed assets				
6.4	6.4	6.4	Land, buildings and other property		**2 167.8**	1 923.3	1 610.0
0.0	0.0	0.0	Office equipment, fixtures and fittings		**1 239.3**	952.1	583.0
6.4	6.4	6.4	Total tangible fixed assets	15	**3 407.1**	2 875.4	2 193.0
			Non-current financial assets				
11.4	11.4	10.2	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	0.0	0.0	Available for sale investments		**42.6**	42.4	36.8
0.0	0.0	0.0	Net pension asset	9	**4.9**	283.0	50.0
0.0	0.0	0.0	Other long-term receivables	19	**639.7**	661.3	399.8
11.4	11.4	10.2	Total non-current financial assets		**834.5**	995.3	500.6
17.8	17.8	16.6	**Total non-current assets**		**17 052.1**	15 476.0	4 492.2
			Current assets				
			Debtors				
0.0	0.0	0.0	Trade debtors	18	**5 149.3**	4 279.7	2 624.2
0.0	0.0	0.0	Work in progress		**2 881.5**	2 501.2	1 369.3
0.2	0.0	0.0	Other receivables group companies		**0.0**	0.0	0.0
0.0	0.0	0.0	Other debtors		**891.3**	703.2	455.4
0.2	0.0	0.0	Total debtors		**8 922.0**	7 484.0	4 448.8
1 218.8	1 233.4	1 232.8	Cash and bank deposits	22	**6 726.9**	6 531.9	3 178.9
1 219.0	1 233.4	1 232.8	**Total current assets**		**15 648.9**	14 015.9	7 627.7
1 236.8	1 251.2	1 249.4	**TOTAL ASSETS**		**32 701.0**	29 491.9	12 120.0

CONSOLIDATED BALANCE SHEET

Amounts in NOK million

STIFTELSEN DET NORSKE VERITAS					STIFTELSEN DET NORSKE VERITAS 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				
283.5	283.5	283.5	Foundation capital		**283.5**	283.5	283.5
			Retained earnings				
920.5	928.1	929.8	Other equity		**14 525.1**	13 300.8	7 061.1
0.0	0.0	0.0	Non-controlling interest		**6 053.1**	5 697.4	4.5
1 204.0	1 211.6	1 213.3	**Total equity**		**20 861.7**	19 281.7	7 349.1
			Liabilities				
			Non-current liabilities				
0.0	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	186.2
0.1	0.1	0.3	Deferred tax	12	**1 045.6**	1 038.5	226.4
0.0	0.0	0.0	Non-current provisions	21	**110.7**	161.7	50.5
0.0	0.0	0.0	Other non-current liabilities		**515.5**	1 135.5	857.2
0.1	0.1	0.3	Total non-current liabilities		**4 996.3**	4 288.2	1 320.3
			Current liabilities				
0.0	0.0	0.0	Overdrafts		**4.5**	0.0	0.0
0.3	0.0	0.0	Trade creditors		**494.0**	606.1	358.4
29.5	32.5	31.4	Tax payable	12	**776.9**	497.0	269.4
0.0	0.0	0.0	Public duties payable		**480.9**	430.8	387.2
2.9	7.0	4.4	Short-term liabilities group companies		**0.0**	0.0	0.0
0.0	0.0	0.0	Accrued dividend to minority shareholders		**183.8**	0.0	0.0
0.0	0.0	0.0	Current provisions	21	**289.8**	201.6	47.0
0.0	0.0	0.0	Other current liabilities	17	**4 613.2**	4 186.6	2 388.7
32.7	39.5	35.8	Total current liabilities		**6 843.0**	5 922.0	3 450.6
32.8	39.6	36.1	**Total liabilities**		**11 839.3**	10 210.2	4 770.8
1 236.8	1 251.2	1 249.4	**TOTAL EQUITY AND LIABILITIES**		**32 701.0**	29 491.9	12 120.0

The Board of Stiftelsen Det Norske Veritas, Høvik, 27 May 2015

Leif-Arne Langøy
(Chairman)
sign.

Morten Ulstein
(Vise-Chairman)
sign.

Sille Grjotheim
sign.

Rebekka Glasser Herlofsen
sign.

Christelle G. V. Martin
sign.

David McKay (Deputy)
sign.

Mette Bandholtz Nielsen
sign.

C.Thomas Rehder
sign.

Odd E. Sund
sign.

Hilde M. Tonne
sign.

Clemens Keuer
sign.

Henrik O. Madsen
Group President & CEO
sign.

CONSOLIDATED STATEMENT OF CASH FLOW

Amounts in NOK million

STIFTELSEN DET NORSKE VERITAS			STIFTELSEN DET NORSKE VERITAS GROUP	
2014	2013		**2014**	2013
		CASH FLOW FROM OPERATIONS		
21.9	31.2	Profit before tax	**1 872.6**	1 986.4
0.0	0.0	Gain/loss on disposal of tangible fixed assets	**(11.3)**	(0.1)
0.0	0.0	Gain on divestments	**(18.7)**	(648.5)
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
0.0	0.0	Depreciation, amortization and impairment	**962.3**	760.4
(32.5)	(31.4)	Tax payable	**(784.5)**	(643.7)
0.3	0.0	Change in work in progress, trade debtors and trade creditors	**(708.9)**	(725.7)
(4.1)	2.0	Change in accruals, provisions and other	**607.5**	154.2
(14.5)	1.8	**Net cash flow from operations**	**1 717.7**	882.9
		CASH FLOW FROM INVESTMENTS		
0.0	0.0	Acquisitions (business combinations)	**(288.8)**	(149.2)
0.0	0.0	Settlement minority share owners N.V. KEMA	**(670.0)**	0.0
0.0	0.0	Divestments of subsidiaries	**12.0**	580.0
0.0	0.0	Investments in tangible fixed assets	**(773.7)**	(609.8)
0.0	0.0	Investments in intangible assets	**(175.0)**	(48.6)
0.0	0.0	Sale of tangible fixed assets (sales value)	**42.8**	26.9
0.0	0.0	Change in other investments	**(98.6)**	0.0
0.0	(1.2)	Contribution in kind to Det Norske Veritas Holding AS	**0.0**	0.0
0.0	(1.2)	**Net cash flow from investments**	**(1 951.2)**	(200.7)
		CASH FLOW FROM FINANCING ACTIVITIES		
0.0	0.0	Change in overdraft	**4.5**	0.0
0.0	0.0	Borrowings	**500.0**	0.0
0.0	0.0	Dividend paid	**(122.4)**	0.0
0.0	0.0	Group contribution paid/received	**0.0**	0.0
0.0	0.0	**Net cash flow from financing activities**	**382.1**	0.0
		LIQUIDITY		
(14.5)	1.8	Net cash flow from operations	**1 717.7**	882.9
0.0	(1.2)	Net cash flow from investments	**(1 951.2)**	(200.7)
0.0	0.0	Net cash flow from financing activities	**382.1**	0.0
(14.5)	0.6	**Net change in liquidity during the year**	**148.5**	682.2
1 233.4	1 232.8	Liquidity at 1 January	**6 531.9**	3 178.9
0.0	0.0	Cash in acquired companies	**46.5**	2 670.8
1 218.8	1 233.4	**Liquidity at 31 December**	**6 726.9**	6 531.9

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in NOK million

Changes in equity in Stiftelsen Det Norske Veritas

	Foundation capital	Other equity	Translation differences	Non-controlling interest	**Total**
Equity at 31 December 2012 – NGAAP	283.5	929.8			1 213.3
Effect of transition to IFRS					0.0
Equity at 1 January 2013 – IFRS	**283.5**	**929.8**	**0.0**	**0.0**	**1 213.3**
Profit for the period		(1.8)			(1.8)
Equity at 31 December 2013	**283.5**	**928.1**	**0.0**	**0.0**	**1 211.6**
Profit for the period		(7.6)			(7.6)
Equity at 31 December 2014	**283.5**	**920.5**	**0.0**	**0.0**	**1 204.0**

Changes in equity in Stiftelsen Det Norske Veritas Group

	Foundation capital	Other equity	Translation differences	Non-controlling interest	**Total**
Equity at 31 December 2012 – NGAAP	283.5	6 947.6		4.5	7 235.6
Effect of transition to IFRS		113.6			113.6
Equity at 1 January 2013 – IFRS	**283.5**	**7 061.1**	**0.0**	**4.5**	**7 349.1**
Profit for the period		1 561.2		17.2	1 578.4
Contribution in kind GL SE Group		9 360.0			9 360.0
Actuarial gains/(losses) on defined benefit pension plans		97.4			97.4
Exchange differences			886.3		886.3
Other equity changes		(5 665.2)		5 675.7	10.5
Equity at 31 December 2013	**283.5**	**12 414.5**	**886.3**	**5 697.4**	**19 281.7**
Profit for the period		743.4		375.8	1 119.2
Dividend paid to minority shareholders in DNV GL Group AS		(122.5)			(122.5)
Accrued dividend to minority shareholders in DNV GL Group AS		(183.8)			(183.8)
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		29.8		(20.0)	9.9
Equity at 31 December 2014	**283.5**	**11 931.8**	**2 593.3**	**6 053.1**	**20 861.7**

NOTES TO THE FINANCIAL STATEMENTS

1. Significant accounting policies

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 Stiftelsen Det Norske Veritas 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.

NOTES TO THE FINANCIAL STATEMENTS

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.

NOTES TO THE FINANCIAL STATEMENTS

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.

NOTES TO THE FINANCIAL STATEMENTS

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.

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

2. Transition to IFRS

With effect from 2014, including comparable figures from 2013, the 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.

The Group 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.

Stiftelsen Det Norske Veritas 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.

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

Reconciliation of transitional effects Stiftelsen Det Norske Veritas Group:

BALANCE SHEET		Stiftelsen Det Norske Veritas Group 1 Jan 2013			Stiftelsen Det Norske Veritas Group 31 Dec 2013		
	Ref.	NGAAP	Effect of transition to IFRS	IFRS	NGAAP	Effect of transition to IFRS	IFRS
Intangible assets	A,B,C	1 767.8	30.8	1 798.6	11 407.3	198.1	11 605.3
Tangible fixed assets	C	2 122.3	70.8	2 193.0	2 790.4	85.0	2 875.4
Non-current financial assets		500.6		500.6	995.3		995.3
Trade debtors, work in progress and other receivables		4 448.8		4 448.8	7 484.0		7 484.0
Cash and bank deposits		3 178.9		3 178.9	6 531.9		6 531.9
TOTAL ASSETS		**12 018.4**	**101.6**	**12 120.0**	**29 208.9**	**283.1**	**29 491.9**
Equity	A,B,C	7 235.5	113.6	7 349.1	18 987.6	294.0	19 281.7
Provisions		1 332.3	(12.0)	1 320.3	4 299.2	(11.0)	4 288.2
Current liabilities		3 450.6		3 450.6	5 922.0		5 922.0
TOTAL EQUITY AND LIABILITIES		**12 018.4**	**101.6**	**12 120.0**	**29 208.8**	**283.1**	**29 491.9**

INCOME STATEMENT		Stiftelsen Det Norske Veritas Group 1 Jan–31 Dec 2013		
	Ref.	NGAAP	Effect of transition to IFRS	IFRS
Operating revenue		**16 137.9**		**16 137.9**
Payroll expenses		8 536.6		8 536.6
Depreciation	C	302.3	3.7	306.0
Amortization and impairment	B	458.1	(255.0)	203.0
Other operating expenses	A, C	4 889.1	93.5	4 982.7
Operating profit		**1 951.8**	**157.8**	**2 109.7**
Net financial income		34.7		34.7
Tax expense	C	(564.8)	(1.1)	(565.8)
Profit for the period		**1 421.8**	**156.8**	**1 578.4**

There are no transitional effects in the parent company Stiftelsen Det Norske Veritas.

3. Group information

Stiftelsen Det Norske Veritas owns 100% of the shares in Det Norske Veritas Holding AS.

Company	Business office	share capital in 1000 NOK	Ownership	Book value
Det Norske Veritas Holding AS	Bærum, Norway	10 800	100%	**11.4**
Total investment in subsidiaries				**11.4**

4. 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 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 provisions.
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 consolidated 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 provisions. 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 consolidated accounts.

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%	NOK	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.

The following table shows the preliminary purchase price allocation (PPA) for the acquisition of 70% 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 has 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 of the Group. If the combination had taken place at the beginning of the year, revenue form 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 arised from the acquisition.

Amounts in NOK million

Cash flow on acquisition:

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

At the end of 2012, Stiftelsen Det Norske Veritas held a 100% share position in the newly established company, Det Norske Veritas Holding AS and 100% in Det Norske Veritas Group AS (renamed to DNV GL Group AS September 2013). With the exception of some financial transactions, Det Norske Veritas Group operated through the subsidiaries of Det Norske Veritas Group AS.

Effective 1 January 2013, the shares in DNV Petroleum Services AS and in the real estate companies Det Norske Veritas Eiendom AS and Rosenberggata 101 AS were transferred to Det Norske Veritas Holding AS through a demerger of Det Norske Veritas Group AS.

Effective 14 February 2013, the shares in Det Norske Veritas Group AS were transferred from Stiftelsen Det Norske Veritas to Det Norske Veritas Holding AS with accounting and fiscal continuity. The transfer was completed through a capital increase in Det Norske Veritas Holding AS against a contribution in kind from Stiftelsen Det Norske Veritas, being the shares in Det Norske Veritas Group AS.

Acquisitions 2013

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

The business combination was completed through a share issue by DNV GL Group AS to Mayfair against Mayfair's contribution in kind, consisting of the shares in GL SE. The share capital of DNV GL Group AS was increased by NOK 36.5 million, representing 36.5% of the total share capital and 365 000 shares were issued to Mayfair. The transaction was recorded at market value, with an additional increased equity of NOK 9 323.5 million (statutory reserves). A dividend of NOK 661.7 million (EUR 82.2 million) was distributed from DNV GL Group AS to Det Norske Veritas Holding AS prior to closing of the transaction with Mayfair. In line with the group's accounting principles goodwill is recorded 100%, including the non-controlling interest share of the goodwill. The following table shows the preliminary purchase price allocation (PPA) for the acquisition of 100% of GL SE:

		of which:						
	Acquisition cost	Trade-mark	Custom. Contr. & Relations	Tech-nology	Lia-bilities	Deferred tax	Net assets	Good-will
PPA (NOK mill)*	9 459.0	267.2	1 684.4	664.0	(145.8)	(691.6)	2 083.5	5 597.1

In the Business Combination Agreement between Stiftelsen Det Norske Veritas and Mayfair the parties have agreed to mutual indemnification obligations for certain matter such as breach of warranties, tax and claims related to services rendered prior to closing.

*Adjusted in 2014 based on new information about facts and circumstances existing at the date of the acquisition, ref section 5 under 'Changes in group structure 2014'.

The goodwill of NOK 5 597.1 million comprises the fair value of expected synergies and workforce arised from acquisition.

Cash flow on acquisition:

Net cash acquired with the subsidiary	2 670.8
Consideration paid in cash	0.0
Net cash flow on acquisition	2 670.8

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

Divestments 2013

Effective 1 November 2013, DNV Petroleum Services AS with subsidiaries in Singapore, The Netherlands and US was sold to Veritas Petroleum Services B.V., a company controlled by the Private Equity company, IK Investment Partners Ltd. The divestment was partly settled in cash and partly through a seller credit of USD 30 million from Det Norske Veritas Holding AS. The interest rate for the seller credit is 10% per year. The credit is secured by 30 000 Preference shares in DNV Petroleum Services AS. The seller credit is hedged for FX fluctuations and included in 'Other long term receivable' in the Balance sheet. A sales gain of NOK 636.5 million from the transaction is included in the 2013 accounts.

5. External operating revenue

	STIFTELSEN DET NORSKE VERITAS GROUP	
	2014	2013
Geographical area:		
Nordic countries	**4 578.4**	4 793.9
Europe and Africa	**7 387.2**	4 392.8
Asia Pacific	**5 800.6**	3 840.3
North and South America	**3 892.9**	3 110.9
Total operating revenue	**21 659.0**	16 137.9
Business areas and business units:		
DNV GL Maritime	**8 805.7**	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
DNV Real Estate companies	**36.3**	36.5
Det Norske Veritas Petroleum Services	**0.0**	867.7
Other	**83.7**	40.3
Total operating revenue	**21 659.0**	16 137.9

The operating companies in the Group are DNV GL Group and two real estate companies. For management purposes, DNV GL 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.

6. Payroll expenses

	STIFTELSEN DET NORSKE VERITAS GROUP	
	2014	2013
Salaries	**9 332.6**	6 712.1
Payroll tax	**1 213.7**	915.8
Pension costs	**645.3**	598.4
Other contributions	**406.0**	310.2
Total payroll expenses	**11 597.5**	8 536.6
Man years (average)	**15 428**	11 085
Total bonus expenses	**451.8**	317.0

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

7. Other operating expenses

STIFTELSEN DET NORSKE VERITAS			STIFTELSEN DET NORSKE VERITAS GROUP	
2014	2013		**2014**	2013
0.0	0.0	Travel expenses	**1 251.0**	881.0
0.0	0.0	Hired assistance	**1 468.2**	860.5
0.0	0.0	ICT and communication expenses	**898.1**	420.7
0.0	0.0	Rent and real estate expenses	**826.4**	527.5
0.0	0.0	Loss on claim	**95.2**	44.1
0.0	0.0	Education and marketing	**429.4**	311.6
7.8	0.0	Administration expenses	**1 034.6**	771.5
3.4	4.0	Expenses group companies	**0.0**	0.0
0.0	0.5	Other expenses	**1 389.1**	1 165.7
11.3	4.5	**Total other operating expenses**	**7 392.0**	4 982.7

The Group recognized expenses of NOK 508.4 million in relation to operating leases in 2014. Operating lease relates mainly to office rent, with lease terms between 1-15 years and company cars, with lease terms between 1-5 years.

Minimum lease payments relating to operating lease:	**2014**
Within one year	457.6
After one year but not more than five years	941.0
More than five years	513.4
Total	**1 912.0**

8. Remuneration to Board of Directors and auditor fees

Board remuneration paid in 2014:

Name	Remuneration:[1])
Leif-Arne Langøy	368.5
Morten Ulstein	246.5
Hilde Tonne	149.0
Rebekka Glasser Herlofsen	149.0
C. Thomas Rehder	149.0
Christelle G.V. Martin	149.0
Odd Sund	149.0
Sille Grjotheim	149.0
Mette Bandholtz Nielsen	149.0
David McKay	143.8
Clemens Keuer	0.0

Remuneration to the Control Committee paid 2014:

Name	Remuneration:[1])
Ivar Brandvold	117.5
Gro Brækken	78.0
Sverre Svenning	78.0

Remuneration to the Nomination Committee paid 2014:

Name	Remuneration:[1])
Walter Qvam	161.5
Sturla Henriksen	96.5
Karl Henrik Kjelstad	34.6
Helle Hammer	34.6
Wenche Nistad	17.8

[1]) Amounts in NOK thousand

Fees to the auditors for 2014 (amounts in NOK thousand)	Stiftelsen Det Norske Veritas	Group auditor other Norwegian entities	Group auditor non-Norwegian entities	Other auditors	Total
Statutory audit	200.0	4 520.0	17 355.0	4 093.7	26 168.7
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

Amounts in NOK million

9. Pension costs, plan assets and defined benefit pension liabilities

The Group 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 organised 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	**31 Dec. 2014**	31 Dec. 2013	1 Jan. 2013
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:

	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)

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

Net pension asset (liabilities):

	Funded Norwegian defined benefit pension plans			German defined benefit pension plans			Other defined benefit pension plans		
	31 Dec. 2014	31 Dec. 2013	1 Jan. 2013	**31 Dec. 2014**	31 Dec. 2013	1 Jan. 2013	**31 Dec. 2014**	31 Dec. 2013	1 Jan. 2013
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 following actuarial assumptions:

	Norwegian schemes			German schemes			Other schemes		
	31 Dec. 2014	31 Dec. 2013	1 Jan. 2013	**31 Dec. 2014**	31 Dec. 2013	1 Jan. 2013	**31 Dec. 2014**	31 Dec. 2013	1 Jan. 2013
Discount rate*	**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 of 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%

* 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.

Amounts in NOK million

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.

Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity level	**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

STIFTELSEN DET NORSKE VERITAS			STIFTELSEN DET NORSKE VERITAS GROUP	
2014	2013		**2014**	2013
33.1	35.5	Return on financial investments	**76.1**	39.5
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 (Note 9)	**(49.5)**	(7.0)
0.1	0.0	Net interest income group companies	**0.0**	0.0
0.0	0.1	Other net interest income (expense)	**11.4**	4.3
0.0	0.0	Currency gains (losses)	**117.9**	(6.8)
0.0	0.0	Other financial items	**(13.3)**	10.1
33.2	35.7	**Net financial income (expenses)**	**165.3**	34.7

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.

Amounts in NOK million

12. Tax

STIFTELSEN DET NORSKE VERITAS			STIFTELSEN DET NORSKE VERITAS GROUP	
2014	2013		**2014**	2013
		Tax expense consists of:		
23.6	23.6	Norwegian wealth tax	**23.6**	23.6
6.0	9.5	Norwegian income tax	**160.4**	198.0
0.0	0.0	Income tax outside Norway	**656.7**	496.6
0.0	0.0	Change in previous years taxes	**3.8**	0.0
29.6	33.1	Total tax payable	**844.5**	718.1
(0.0)	(0.1)	Change in deferred tax in Norway	**42.6**	(28.7)
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)
(0.0)	(0.1)	Total change in deferred tax	**(91.1)**	(152.3)
29.6	32.9	**Tax expense**	**753.4**	565.8
5.9	8.7	Tax on profit at 27% (28% in 2013)	**505.6**	600.4
		Tax effect of:		
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
0.0	0.6	Changes of previous years taxes	**141.4**	(7.5)
23.6	23.6	Norwegian wealth tax	**23.6**	23.6
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)**	13.5
0.0	0.0	Other permanent differences	**79.4**	(88.5)
29.6	32.9	**Tax expense**	**753.4**	565.8
		Effective tax rate	**40%**	26%
		Net tax-reducing/tax-increasing temporary differences:		
0.4	0.5	non-current assets	**3 353.5**	3 446.2
0.0	0.0	Current assets	**149.5**	(93.8)
0.0	0.0	Liabilities including pension liabilities	**(3 139.1)**	(1 893.8)
0.0	0.0	Tax loss to be carried forward	**(1 285.5)**	(1 081.7)
0.4	0.5	**Basis for deferred tax asset/liability**	**(921.6)**	376.9
27%	27%	Tax rates applied	**17%-42%**	17%-42%
0.0	0.0	**Deferred tax asset**	**1 196.0**	857.0
(0.1)	(0.1)	**Deferred tax liability**	**(1 045.6)**	(1 038.5)

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 .

Amounts in NOK million

13. Intangible assets

	Goodwill	Customer contracts	Customer relations	Tech-nology	Trade-marks	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	5 645.3	347.5	1 495.5	689.3	340.1	**246.7**	8 764.4
Translation differences	665.1	9.9	86.5	21.0	23.6	**7.4**	813.5
Total acquisition cost 31 Dec 2013	**7 346.3**	**357.4**	**1 888.6**	**721.4**	**461.1**	**254.1**	**11 028.9**
Additions	245.2	19.0	10.8	79.8	12.6	**182.7**	550.1
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	**8 253.0**	**406.5**	**2 068.4**	**862.8**	**514.5**	**449.0**	**12 554.3**
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							
At 31 December 2014	**8 193.7**	**229.7**	**1 744.3**	**637.2**	**514.5**	**295.1**	**11 614.4**
At 31 December 2013	7 289.2	323.8	1 784.5	676.4	461.1	213.3	10 748.3
Useful life		1-5 years	6-16 years	5-7 years	Indef.	5-10 years	

Other intangible assets mainly consist of capitalized 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.

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

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:

	2014	**2013**
Maritime	2 738.3	2 499.3
Oil & Gas	3 268.7	2 982.4
Energy	1 901.2	1 728.1
Business Assurance	68.2	62.0
Software	17.4	17.4
Marine Cybernetics	199.8	0.0
Total goodwill	**8 193.7**	**7 289.2**

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

	Land, buildings and other property	**Office equipment, fixtures and fittings**	**Total**
Acquisition cost			
1 January 2013	2 168.0	2 372.8	4 540.7
Additions	298.1	308.0	606.0
Additions from business combinations	64.0	259.7	323.7
Disposals	(35.8)	(151.4)	(187.2)
Translation differences	110.5	206.7	317.2
Total acquisition cost 31 December 2013	**2 604.7**	**2 995.7**	**5 600.4**
Additions	260.6	529.1	789.7
Additions from business combinations	8.6	3.2	11.8
Disposals	(2.8)	(109.8)	(112.6)
Translation differences	113.2	274.4	387.6
Total acquisition cost 31 December 2014	**2 984.2**	**3 692.6**	**6 676.8**
Accumulated depreciation			
1 January 2013	558.0	1 789.7	2 347.7
Depreciation for the year	101.5	204.5	306.0
Disposals	(2.7)	(115.4)	(118.0)
Translation differences	24.5	164.8	189.4
Total accumulated depreciation 31 December 2013	**681.4**	**2 043.6**	**2 725.0**
Depreciation for the year	101.0	269.7	370.7
Disposals	(0.8)	(80.3)	(81.1)
Translation differences	34.9	220.3	255.2
Total accumulated depreciation 31 December 2014	**816.5**	**2 453.3**	**3 269.8**

Amounts in NOK million

Net book value			
31 December 2014	**2 167.8**	**1 239.3**	**3 407.2**
31 December 2013	1 923.3	952.1	2 875.4
Useful life	15-100 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, the Group's 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.

Investments in associates:

Company	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 changes in OCI of NOK 29.4 million

17. Other current liabilities

	STIFTELSEN DET NORSKE VERITAS GROUP		
	31 Dec 2014	31 Dec 2013	1 Jan 2013
Advances from customers	**2 053.9**	1 906.5	1 179.2
Accrued bonus to employees	**624.0**	620.7	304.0
Accrued holiday allowances	**558.8**	503.0	359.1
Unrealized loss (gain) and interest related to forward contracts	**58.7**	38.1	(171.0)
Accrued expenses and other short-term liabilities	**1 317.8**	1 118.4	717.4
Total other current liabilities	**4 613.2**	4 186.6	2 388.7

18. Trade debtors

	STIFTELSEN DET NORSKE VERITAS GROUP		
	31 Dec 2014	31 Dec 2013	1 Jan 2013
Gross trade debtors	**5 493.5**	4 586.7	2 724.3
Provision for bad debts	**(344.2)**	(307.0)	(100.0)
Net trade debtors	**5 149.3**	4 279.7	2 624.2

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

19. Other long-term receivables

	STIFTELSEN DET NORSKE VERITAS GROUP		
	31 Dec 2014	31 Dec 2013	1 Jan 2013
Loans to employees	**59.0**	69.9	59.9
Loan to affiliated companies, DNV Nemko Presafe AS	**29.8**	27.0	27.0
Loan to Veritas Petroleum Services BV controlled by IK Investment Partners Ltd.	**250.4**	185.1	0.0
Convertible loan to StormGeo Holding AS	**0.0**	46.7	42.4
Other long-term receivables	**300.5**	332.6	270.6
Total other long-term receivables	**639.7**	661.3	399.8

20. Contingent liabilities and contingent assets

In accordance with the Business Combination Agreement between Stiftelsen Det Norske Veritas and Mayfair Vermögensverwaltungs SE, representations and warranties related to the DNV GL merger are being followed up and several items related to pre-merger events remain to be settled between the parties to the transaction.

21. Provisions

	STIFTELSEN DET NORSKE VERITAS GROUP			
	Litigation risks	**Indemnification**	**Others**	**Total**
Balance at 1 January 2013	**45.1**	**0.0**	**52.4**	**97.5**
Currency translation differences	6.1	0.0	6.7	12.8
Additions	7.5	0.0	20.0	27.5
Additions from business combinations	180.9	99.8	20.1	300.8
Utilization	(23.0)	0.0	(52.3)	(75.3)
Reversal	0.0	0.0	0.0	0.0
Balance at 31 December 2013	**216.6**	**99.8**	**46.9**	**363.3**
Current	66.5	99.8	35.3	201.6
Non-current	150.1	0.0	11.6	161.7
Balance at 1 January 2014	**216.6**	**99.8**	**46.9**	**363.3**
Currency translation differences	14.2	0.0	1.7	16.0
Additions from business combinations	0.0	25.6	0.0	25.6
Additions	38.0	0.0	70.4	108.4
Utilization	(23.0)	0.0	(32.6)	(55.7)
Reversal	(57.1)	0.0	0.0	(57.1)
Balance at 31 December 2014	**188.7**	**125.4**	**86.4**	**400.5**
Current	78.0	125.4	86.4	289.8
Non-current	110.7	0.0	0.0	110.7

Provisions for litigation risks concern fair value of pending legal disputes from acquisitions in DNV GL Group and provisions for other pending legal disputes in DNV GL Group. Provision for indemnification is related to the Business Combination Agreement between Stiftelsen Det Norske Veritas and Mayfair. Included in other provisions are provisions for restructuring, termination benefits and onerous contracts in DNV GL Group.

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

22. Cash and bank deposits

Det Norske Veritas Holding AS has a cash pool system with DNB ASA, in which Stiftelsen Det Norske Veritas and the companies Det Norske Veritas Eiendom AS and Rosenberggata 101 AS participate. This system includes an overdraft facility of NOK 50 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 Det Norske Veritas Holding AS on a consolidated basis, the net total balance of NOK 27 million with DNB ASA is included in 'Cash and bank deposits' in the balance sheet at 31 December.

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.

23. Long-term loans

Det Norske Veritas Holding AS has signed an agreement for a NOK 1 500 million multi-currency revolving credit facility with Handelsbanken (Norwegian branch of Svenska Handelsbanken AB) . The facility was signed February 13th 2014 and expires in February 2019. The credit agreement supporting this facility requires that Det Norske Veritas Holding AS Group maintains a certain minimum level of total equity and that the net interest bearing debt does not exceed a set limit. The facility is secured with a pledge in properties belonging to Det Norske Veritas Eiendom AS.

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.

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

24. Guarantees

STIFTELSEN DET NORSKE VERITAS				STIFTELSEN DET NORSKE VERITAS GROUP		
31 Dec 2014	31 Dec 2013	1 Jan 2013		**31 Dec 2014**	31 Dec 2013	1 Jan 2013
0.0	0.0	0.0	Guarantee commitments not included in the accounts	**293.8**	206.1	152.4

These guarantees are not secured by mortgage

25. Related party transactions

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 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

	STIFTELSEN DET NORSKE VERITAS GROUP			
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 loans		280.2		
Other long-term receivables		300.5		
Assets – current assets				
Cash and bank deposits		6 726.9		
Trade debtors		5 149.3		
Other debtors		891.3		
Financial liabilities – non-current				
Interest bearing loans and borrowings				500.0
Other non-current liabilities				515.5
Financial liabilities – current				
Trade creditors				494.0
Overdrafts				4.5
Forward contracts	58.7			

NOTES TO THE FINANCIAL STATEMENTS

Amounts in NOK million

	STIFTELSEN DET NORSKE VERITAS GROUP			
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		
Other long-term loans		258.8		
Other long-term receivables		332.6		
Assets – current assets				
Cash and bank deposits		6 531.9		
Trade debtors		4 279.7		
Other debtors		703.2		
Financial liabilities – non-current				
Other non-current liabilities				1 135.5
Financial liabilities – current				
Trade creditors				606.1
Forward contracts	38.1			

Statsautoriserte revisorer
Ernst & Young AS

Dronning Eufemias gate 6, NO-0191 Oslo
Oslo Atrium, P.O.Box 20, NO-0051 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00
Fax: +47 24 00 29 01
www.ey.no
Medlemmer av den norske revisorforening

To the Board of Directors of
Stiftelsen Det Norske Veritas

AUDITOR'S REPORT

Report on the financial statements

We have audited the accompanying financial statements of Stiftelsen Det Norske Veritas, comprising the financial statements for the Foundation and the Group. The financial statements for the Foundation 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 Group Chief Executive Officer's responsibility for the financial statements

The Board of Directors and Group President and Group Chief Executive Officer are responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as the Board of Directors and Group President and Group Chief Executive Officer determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

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

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

2

Opinion

In our opinion, the financial statements of Stiftelsen Det Norske Veritas have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Foundation 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.

Opinion on asset management

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, it is our opinion that the Foundation has been managed in accordance with laws and the Foundation's objectives and articles of association.

Oslo, 27 May 2015
ERNST & YOUNG AS

Finn Ole Edstrøm
State Authorised Public Accountant (Norway)

Stiftelsen Det Norske Veritas
Veritasveien 1, 1363 Høvik, Norway
T: +47 6757 9900
Email: stiftelsen@detnorskeveritas.com
www.detnorskeveritas.com