The means of making a difference

Annual report 2009

MANAGING RISK

Key figures

FIGURE 01 REVENUE (MILLION NOK)

10,283

FIGURE 01 REVENUE; LAST FIVE YEARS

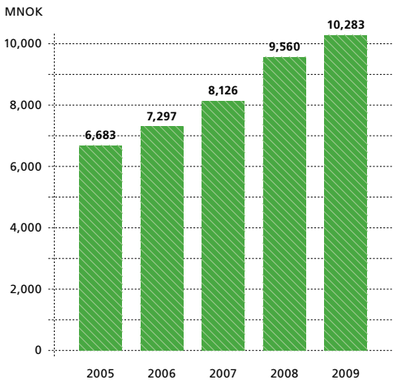


FIGURE 02 OPERATING PROFIT (MILLION NOK)

1,108

FIGURE 02 OPERATING PROFIT; LAST FIVE YEARS

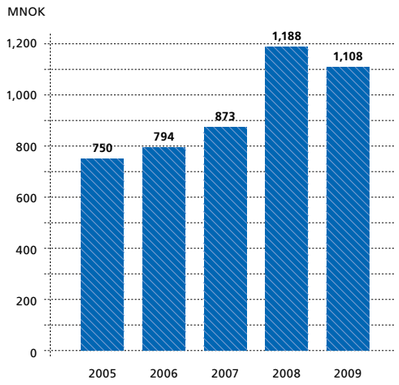


FIGURE 03 EQUITY RATIO (%)

67.4%

FIGURE 03 EQUITY RATIO; LAST FIVE YEARS

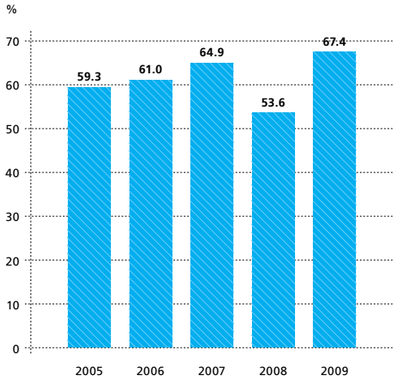
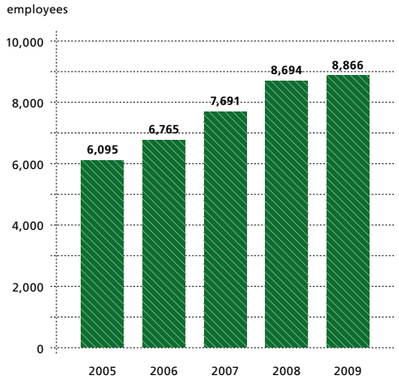


FIGURE 04 NUMBER OF EMPLOYEES

8,866

FIGURE 04 NUMBER OF EMPLOYEES; LAST FIVE YEARS

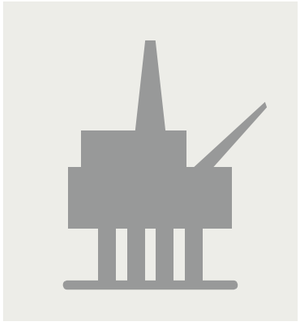


Business areas

In 2009, DNV was organised into four business areas and three independent business units. This organisation was replaced in 2010 as reflected on page 6.

MARITIME

We help shipowners, yards, authorities and other maritime players to manage their risks in all phases of a ship's life: through classification, fuel testing and a range of technical, business risk, environmental and competency-related services.



ENERGY

We help energy companies manage business risk, safety, environmental performance, and technology challenges across the entire energy value chain. Our solutions are provided globally across the entire energy sector, covering both oil and gas and renewable energy.

BUSINESS ASSURANCE

We help create trust and confidence and assure sustainable performance for companies across a variety of industry sectors. This is mainly done through system certification, assessment and risk management services.

IT GLOBAL SERVICES

We help companies manage IT risks and make IT-dependent processes and software more efficient and predictable. These services are primarily provided to the finance, maritime, energy, telecoms and automotive sectors.

INDEPENDENT BUSINESS UNITS

CLIMATE CHANGE

We provide third party validation and verification of emission reduction projects and emission trading schemes. We also help companies with climate change strategies and compliance, and how to manage climate change related risks, uncertainties and opportunities.

RESEARCH & INNOVATION

We identify technology trends and build new knowledge and services in order to ensure DNV's future growth and sustainability.

SOFTWARE

We develop software systems for design, strength assessment, risk analysis, asset life cycle management and knowledge-based engineering.

Our purpose

To safeguard life, property
and the environment

Our vision

Global impact for a safe
and sustainable future

Our values

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

The relevance of managing risk

Companies and organisations are operating in an increasingly complex and demanding risk environment. On the other hand, their customers, owners and other stakeholders are adopting a zero tolerance of failure and demand improved performance, transparency and accountability.

Our means of making a difference is to help companies build the trust and confidence of their stakeholders. We do that by helping to identify, assess, and manage risk.

By combining risk methodology, technology expertise and in-depth industry knowledge, we enable our customers to safely and responsibly improve their business performance. Companies and authorities all over the world rely on our independent decision support and non-compromising standards of quality and integrity. They have done so since 1864.

As a self-owned independent foundation, we are set up to balance the needs of business and society. This is also demonstrated in our purpose. Through our global network of 300 offices in 100 countries, we serve a range of industries, with a special focus on the maritime and energy sectors.

CONTENTS

The necessity of change

> A lot of my time is spent with customers all around the world. Many of them represent some of the world's leading companies and organisations. The way these companies are adjusting to and identifying new opportunities in difficult times makes me optimistic about the future.

CEO'S OUTLOOK

The slowdown in the world economy, uncertainty about how to meet an increasing demand for energy, and the urgency of dealing with changes in our climate. These are all issues that call for our combined ability to find new and sustainable solutions.

Technology development and implementation will be a key response. Solutions must be developed fast and applied globally. That requires unified standards and the ability to build trust and confidence among all stakeholders. Companies must assess and manage their risks in the face of increased complexity and higher stakeholder expectations. In this context, I am confident that DNV's risk management services, including certification, classification, assessment and verification services, are becoming increasingly relevant to help businesses perform in a safe and sustainable manner.

OPPORTUNITY FOR NOVEL THINKING. After several years with a booming ship building market, the world fleet is showing signs of major overcapacity. As this has coincided with a slowdown in world trade, the shipping industry is facing a tough time.

The best-in-class ship operators have been focussing on optimising operations for a long time. The downturn represents an opportunity for the entire industry to think in a new way. There is a great potential for many ship operators to become more efficient at using existing technologies. That includes measures to reduce fuel consumption. This will also reduce greenhouse gas emissions, thereby addressing likely future regulations. In addition, hardship is an excellent fertiliser for breakthrough technologies. Winners will emerge from those who apply smarter solutions for the future.

We in DNV want to continue to be the preferred partner for the most innovative and quality-focussed players in the industry. At the same time, we are offering services, tools and competency to help our customers identify and apply cost-efficiency measures now.

TIME FOR TRANSITION IN THE ENERGY INDUSTRY. The macro trends in the energy industry have not been significantly affected by the economic developments. Fossil fuels will continue to dominate energy supply for several decades. But we see an inevitable transition to a low-carbon future with cleaner fossil fuels, such as natural gas, and renewable sources. Oil will be recovered from deeper, harsher and more sensitive environments, pushing the need for new technologies and standards. And there will be a need to develop and apply carbon capture technology for coal- and oil-based energy production.

In short, the industry must cross many frontiers to enhance recovery for existing oil and gas fields as well as developing new such fields, making the transition to cleaner fuels, and applying smart grids for electricity transmission. Sharing accumulated knowledge to speed up innovation and progress in these fields will be crucial.

Within areas such as offshore pipelines and wind energy, DNV acts as a knowledge web, using our independent status, technology expertise and in-depth industry knowledge, which is continuously being developed through Joint Industry Development Projects. These projects gather major players from all corners of an industry to make common advances to break new barriers. Within the emerging field of CO_2 capture, transport and storage this has enabled us to publish the world's first guidelines for the safe and efficient application of these new technologies.

A NEW CHAPTER FOR MANAGEMENT SYSTEM CERTIFICATION. Our vision statement sets us an ambitious target: to have a 'Global impact for a safe and sustainable future'. To achieve this we need to have an influential position within the industries in which we operate.

We see great prospects of maintaining and growing our position in the maritime and energy industries, based on our in-depth knowledge of business drivers and technologies. However, in the market for management system certification, which has shown remarkable resilience during the financial crisis, we see clear signs of consolidation. Competitors are offering a wider portfolio of testing, inspection and certification services. In response to this, we will explore strategic partnerships or mergers as one of our strategic options within this field.

INTEGRITY AT THE CORE. The fact that we are staying true to our vision is also expressed in the way we conduct our business. I believe that our focus on human rights, labour rights, anti-corruption, health, safety and environmental performance in our own operations is vital to the sustainability of our business. This is underlined by our commitment to the principles of the UN Global Compact.

These principles have not only become an integral part of our everyday work. We also work with our customers and business partners to advance the same principles, which balance business and societal requirements. After all, it is the companies which are able to strike that balance that will be the winners in the long-run.

> Staying true to our vision is also expressed in the way we conduct our business. I believe that our focus on human rights, labour rights, anti-corruption, health, safety and environmental performance in our own operations is vital to the sustainability of our business.

Henrik O. Madsen, CEO

New organisation – new management

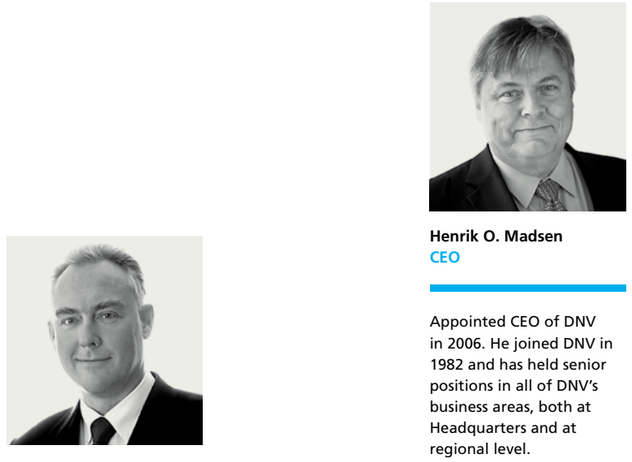
In response to changing markets and customer needs, a new organisational structure was announced in November 2009 with four geographical divisions, a Governance and Global Development division, and a Sustainability and Innovation division.

The objectives of the new organisation are to:

- increase focus on maritime and energy industries
- unleash the potential for utilising the breadth of DNV's competence
- ensure high impact customer service management
- position senior executives closer to the customers
- allocate resources where they can have highest impact.

The new Executive Committee became operational on 1 January 2010 and the new organisation was operational on 1 April 2010.

The Executive Committee is the CEO's management team. It deals with strategic issues, budgeting and planning and consists of the ten members portrayed in the chart.



Jostein Furnes
Corporate Finance and Controllership

CFO since 2006. He joined DNV in 1988 and has held various financial positions both at Høvik and abroad.

Henrik O. Madsen
CEO

Appointed CEO of DNV in 2006. He joined DNV in 1982 and has held senior positions in all of DNV's business areas, both at Headquarters and at regional level.

Tor E. Svensen
President

Appointed President in 2010 and has acted as deputy CEO since 2006. Chief Operating Officer of the Maritime business area since 2003. Has held senior positions both at Høvik and abroad.

Cecilie B. Heuch
Corporate HR and Organisation

Director of Corporate HR and SHE since 2006. She previously worked for Norsk Hydro in Norway and Italy.

Indenpendent Business Units

- Business Assurance
- IT Global Services
- Software
- Petroleum Services

Division Governance and Global Development

Olav Nortun
Chief Operating Officer

Appointed COO of Division Governance and Global Development and joined the Executive Committee in 2010. Previously Maritime Technical Director. Has held several senior positions at Høvik and abroad. Joined DNV in 1990.

Division Asia, Pacific and Middle East

Remi Eriksen
Chief Operating Officer

Appointed COO of Division Asia, Pacific and Middle East in 2010 after being COO of the Energy business area since 2006. Joined DNV in 1990 and has held various positions in Norway and in the US.

Division Americas and Sub-Saharan Africa

Elisabeth H. Tørstad
Chief Operating Officer

Appointed COO of Division Americas and Sub-Saharan Africa and joined the Executive Committee in 2010. Headed up the Cleaner Energy unit since 2006. Has held several other seniors positions since she joined DNV in 1995.

Division Europe and North Africa

Ioannis Kourmatzis
Chief Operating Officer

Appointed COO of Division Europe and North Africa and joined the Executive Committee in 2010. Held the position as Regional Maritime Manager for Sourthern Europe since 2001. Has also been Regional Manager in Japan, the Netherlands and North America. Joined DNV in 1976.

Division Norway, Finland and Russia

Knut Ørbeck-Nilssen
Chief Operating Officer

Appointed COO of Division Norway, Finland and Russia and joined the Executive Committee in 2010. Has held several senior positions within the energy business area and worked for DNV in Japan. Joined DNV in 1990.

Division Sustainability and Innovation

Bjørn K. Haugland
Chief Operating Officer

Appointed COO of Division Sustainability and Innovation in 2010 after being COO of DNV Business Assurance since 2008. Former Regional Manager and Area Chair for Region Greater China. Joined DNV in 1990.

The impact of 365 days

In a year where the global financial crisis gradually increased its impact on the real economy, society and business were challenged by growing uncertainties. A complex risk reality made it more demanding than ever to manage technical, societal, market and business risk.

BOARD OF DIRECTORS' REPORT

Companies are expected to run safe, reliable and sustainable operations in this environment of uncertainty, and they are challenged by society's zero tolerance for failure. The need for services to identify, assess and manage risk is demonstrated by DNV's revenue growth of 8% in 2009. DNV has maintained a strong position in all its main areas of activity in 2009. With growth in both total revenue and number of employees, the company has ensured a strong financial foundation, which is required to secure the independence and integrity of DNV's operations.

The maritime industry has experienced a severe set-back in 2009. The number of contracted new-buildings has fallen by close to 90%. DNV has secured 77 new-building contracts representing 9.4 million dead-weight tonnes (DWT) and 4.9 million gross tonnes (GT). A relentless focus on quality has ensured DNV more than 15% of the world fleet measured in gross tonnes. Global Port State detention statistics show that DNV-classed vessels are among the ones with the lowest detention ratio. This is a key parameter to measure quality.

Technology qualification, risk assessment, asset management and offshore classification are services that have contributed to an unprecedented growth of 18% for DNV in the energy sector. In spite of the global economic slowdown, the oil price has been strong, ensuring a relatively high level of activity in the oil and gas sector. In addition, renewable and cleaner energies represent considerable growth potentials.

Accredited management system certification represents close to 15% of DNV's total revenue, positioning the company among the top three certification bodies worldwide. Services in the fields of IT security, food safety and healthcare help customers run safe and sustainable operations.

DNV is market leader in the validation and verification of CO_2 emissions as part of the quota trading mechanism under the Kyoto Protocol and other regional and local schemes. The company's market share of Clean Development Mechanism projects is 31% both within validation and verification. Services in the field of Corporate Responsibility are also in increasing demand.

TRULY INDEPENDENT

In order to serve the purpose of 'Safeguarding Life, Property and the Environment', DNV needs both competent employees and a strong financial basis. In 2009, DNV delivered strong financial results with a growth in total revenue of 8% and a net profit of NOK 854 million. At year-end 2009, the equity ratio was 67%. The number for employees showed a net increase of 172 to a total of 8,866 employees.

As a response to the global economic downturn, DNV initiated a cost-cutting program that reduced cost in 2009 by NOK 500 million. This program included moderate salary increases, restructuring of IT support, reduced travelling expenses and lower recruitment than planned.

The Board of Directors acknowledges the hard work performed by a dedicated staff. The Board regards DNV's market position as strong and financial status as satisfactory. This gives the company a robust platform to meet the downturn in the global economy.

In addition to the financial reporting, DNV is also committed to report on environmental and societal aspects based on the Global Reporting Initiative (GRI). The reporting for 2009 meets the requirements of a level B in the GRI system.

EU has closed the case against DNV and four other European-based classification societies (BV, GL, LR and RINA) and the office of the International Association of Classification Societies (IACS), after an inspection in January 2008 by EU's DG Competition. No breach of EU's competition laws was found. The inspection has led to some changes to IACS' procedures on membership criteria, non-member class societies' participation in technical work and the introduction of an independent audit of member societies.

STRATEGY

DNV has been through an extensive strategy process leading up to the new DNV Strategy 2010-2014. The Board early in the process evaluated various scenarios for the development of the global economy. The new strategy is based on a scenario of slow recovery, driven by the development of new technologies, with a relatively high oil price.

The new strategy clearly defines the maritime and energy sectors as DNV's core focus areas. These are industries where DNV has a strong position built on deep knowledge of the business drivers and the technologies required for safe and sustainable operations. In the strategy period, the strongest growth is expected to come in the energy sector. This includes oil and gas markets, offshore class, pipelines, renewable and cleaner energies with a strong focus on wind.

> The new strategy clearly defines the maritime and energy sectors as DNV's core focus areas. These are industries where DNV has a strong position built on deep knowledge of the business drivers and the technologies required for safe and sustainable operations.

As the maritime industry is in a global crisis, DNV's development in this sector is expected to be one of consolidation. The strategy clearly defines a shift in focus from new-buildings to ships in operation. In addition to traditional classification services, more efforts are to be put into developing services beyond classification, in order to help shipping companies run safe, clean and efficient operations and thus meet societal expectations.

The new strategy defines services for combating climate change as a priority. This includes renewable and cleaner energies, services to the global and regional schemes for emission trading and a continued engagement through the Sustainability Centre in Beijing, the Clean Tech Centre in Singapore and MASDAR in Abu Dhabi. In the healthcare sector, patient safety and quality improvement in hospitals are needs that DNV intends to meet through its risk-based approach. In UK, risk management auditing is performed in order to improve patient safety at several hundred hospitals, as part of an agreement with the British Ministry of Health.

Within bio risk, DNV has developed standards and rating tools for high risk laboratories. The World Health Organisation (WHO) is actively promoting these standards.

The market for accredited management system certification has developed to a point where consolidation and strategic partnerships will become interesting strategic alternatives, and DNV will explore relevant options.

ORGANISATION

As a consequence of the new strategy, considerable changes have been made to DNV's organisational structure. Overriding objectives are to bring DNV closer to the main markets and customers, and to ensure best possible synergies between the various parts of the organisation.

The main operations towards the maritime and energy sectors, are now performed in four geographical divisions, centred in Oslo, London, Houston and Singapore. Division Sustainability and Innovation, based in Oslo, is established to develop the Climate Change, Healthcare and Bio risk services, risk management and corporate responsibility services. This division will also be in charge of DNV's strategic research unit and the DNV Sustainability Center in Beijing. Business Assurance is established as an independent business unit lead from Milan, Italy.

Division Governance and Global Development is responsible for supporting the maritime and energy operations in the geo-divisions as well as establishing the governance for DNV's services. A clear goal is to locate support functions, both technical and administrative, close to where the main markets are.

> The need for services to identify, assess and manage risk is demonstrated by DNV's revenue growth of 8% in 2009.

At the year-end 2009, DNV had 8,866 employees, compared to 8,694 the previous year. 99 nationalities are represented in the staff. The turnover of personnel during 2009 was 6.4%, compared to 9.0% in 2008, and the sickness absence rate was 2.0%. DNV has an equal opportunity policy for all employees, irrespective of their nationality, gender or age. As a result of systematic efforts to improve diversity in the organisation, 73% of all managers are from countries outside Scandinavia. This is a slight increase compared with 2008. The number of women in management training programmes is rising, and the ratio of female managers is now at 20%, compared with 18% in 2008.

ENVIRONMENT

As part of its environmental commitment, DNV is certified according to the ISO 14001 standard. Projects have also been carried out to map the environmental impact DNV's services have on the customers' environmental footprints.

Close to 4,000 employees have been engaged in improving their own environmental footprints, funded by a DNV-wide environmental initiative. NOK 40 million was made available for the employees to introduce measures in their private lives that would reduce emissions and improve the environment. Typical initiatives have been to buy bicycles, more energy-efficient home appliances, hybrid cars, solar-heated water tanks and improved insulation in houses.

DNV's own activities do not have significant negative impact on the environment. Procedures for waste handling and energy savings have been introduced in the international network of offices as part of DNV's environmental management system. A programme for continuous improvement is in place with regard to areas such as energy consumption and waste handling. In order to reduce the number of non-essential air flights, a system for registering all flights in 2009 have been implemented, and more meetings are conducted as video conferences.

FINANCIAL PERFORMANCE

Despite the difficulties in the global economy, DNV has delivered good financial performance and still benefits from a relatively solid order reserve. DNV achieved operating revenue of NOK 10,283 million in 2009, NOK 723 million or 8% higher than in 2008. DNV Energy and DNV Business Assurance both secured positive currency adjusted organic growth rates, while DNV Maritime and DNV IT Global services are contracting as a consequence of the difficult market situation.

The operating profit decreased from NOK 1,188 million in 2008 to NOK 1,108 million in 2009. This represents an operating margin of 10.8%. The reduction in operating profit from 2008 to 2009 is NOK 80 million or 7%.

During 2009 Norwegian kroner appreciated compared to DNV's basket of currencies, which contributed negatively to the 2009 financial performance. However the sale of the shares in Coor Service Management AS and a strong return from the financial investment portfolio more than offset this, leading to a net financial income of NOK 129 million in 2009.

The net profit after tax for 2009 is NOK 854 million, which can be compared to NOK 642 million in 2008 and NOK 536 million in 2007.

The cash flow for 2009 is positive. The extraordinary effort in the credit collection area in 2009 have contributed with NOK 560 million to the 2009 cash flow while realised losses related to currency hedging contracts have had negative influence. DNV has a strong balance sheet with no interest-bearing debt, a total equity of NOK 5,528 million, or 67% of its total assets. The equity has been positively affected by NOK 128 million, mainly due to unrecognised net gainson the plan assets in the defined benefit pension plans.

The accounts for the parent company, Stiftelsen Det Norske Veritas, show a profit after tax of NOK 105 million, which will be transferred to other equity. The Board of Directors confirms that the going concern assumption applies and that the financial statement has been prepared under this assumption.

FUTURE OUTLOOK

The Board of Directors believes that the demand for DNV's services will continue to grow, but the difficult business sentiment in many of the markets we serve will represent challenges in the years to come. This is particularly valid within the Maritime industry.

The prospects within the oil and energy sectors are more promising, but setbacks should be expected as the volatility in the oil price is relatively high. In order to prepare for such setbacks DNV has identified certain measures and actions to better control and reduce the cost level. Strict cost control and a zero recruitment policy is now in place.

The financial risks will be challenging and counterparty credit risk exposures will have attention as it relates to default risk of large customers and customer groups as well as possible credit collection problems related to the increasingly difficult market conditions for many of our customers. The new organisation coming into effect from April 1st 2010 will enable better utilisation of resources and competence across DNV. Considering the measures taken in 2009 and the once planned for in 2010 the Board of Directors believes that DNV is well prepared to face some difficult years in the main markets.

The Board of Directors of Stiftelsen Det Norske Veritas, Høvik, 21 April 2010

Atle Bergshaven *Chairman* | C. Maury Devine | Thomas Rehder | Sille Grjotheim

Hilde M. Tonne | Yan Ma | Frances Morris-Jones | Christine Maidment

Odd Sund | John H. Wiik

Governance

DNV is incorporated as a Norwegian tax-paying foundation, and is as such self-owned and independent. Its governance structure ensures that no single stakeholder group can have decisive control.

THE BOARD OF DIRECTORS

This is the foundation's highest authority. The Board of Directors consists of a Chairman and nine members. Six of these are non-executive directors selected from different business sectors served by DNV. Four members are elected from among the employees. The Chairman of the Board is Atle Bergshaven.

THE COUNCIL

The main functions of the Council are to appoint the Chairman and the non-executive directors of the Board of Directors and to approve amendments to the DNV Statutes. The Council has 40 members who represent users, customers and others interested in DNV's activities. Six of the members are elected from among the employees. The membership structure ensures that no single stakeholder group has decisive control. The Chairman of the Council is Trond H. Klaveness.

THE CONTROL COMMITTEE

The Council appoints three members of the Control Committee from amongst its own members. The Control Committee is to supervise the Foundation's finances, accounts and audit activities, and is to to such extent as it may find necessary inspect records, correspondence, accounting vouchers and other information to the extent it finds necessary. Members of the Control Committee cannot hold any other position in the Foundation than their membership of the Council. The Chairman of the Control Committee is Erling Øverland.

THE ELECTION COMMITTEE

The Election Committee is to submit recommendations on all elections to be held by the Council. It consists of four members elected from among the Council members who hold no other office in the Foundation, and of the Council Chairman who is also to be the Election Committee Chairman.

See full member lists on:
dnv.com/moreondnv/profile/management

BOARD OF DIRECTORS

1 ATLE BERGSHAVEN
Chairman of the Board of Directors. Member of the Board since 2003. Chairman and CEO of the Bergshav Group. Member of the Boards of the Norwegian Shipowners' Association, Norwegian Hull Club, and North of England P&I Club. Council member of Intertanko and Newcastle University.

C. MAURY DEVINE
(Not present when photo was taken). Member of the Board since 2000. Former President and Managing Director of Mobil Exploration Norway Inc. Former Fellow of Harvard University. Member of the Board of FMC Technologies and JBT Corporation. Member of the Council on Foreign Relations.

2 FRANCES MORRIS-JONES
Member of the Board since June 2009. Global Business Development Manager in ConocoPhillips. Formerly Vice President in BP.

3 THOMAS REHDER
Member of the Board since November 2009. Managing Partner in Carsten Rehder GmbH & Co KG. Chairman of Hamburg Shipbrokers and Shipagents Association. Vice Chairman of German Shipbrokers Association. Member of the Board of Directors of BIMCO and member of the Council of German Shipowners Association.

4 SILLE GRJOTHEIM
Member of the Board since 2007 elected by the Norwegian employees of DNV. Head of the Rules Secretariat at Headquarters in Høvik. Joined DNV in 1993.

5 JOHN H. WIIK
Member of the Board since 2003. Managing Director of the Norwegian Hull Club. Chairman of the Board of Fana Sparebank.

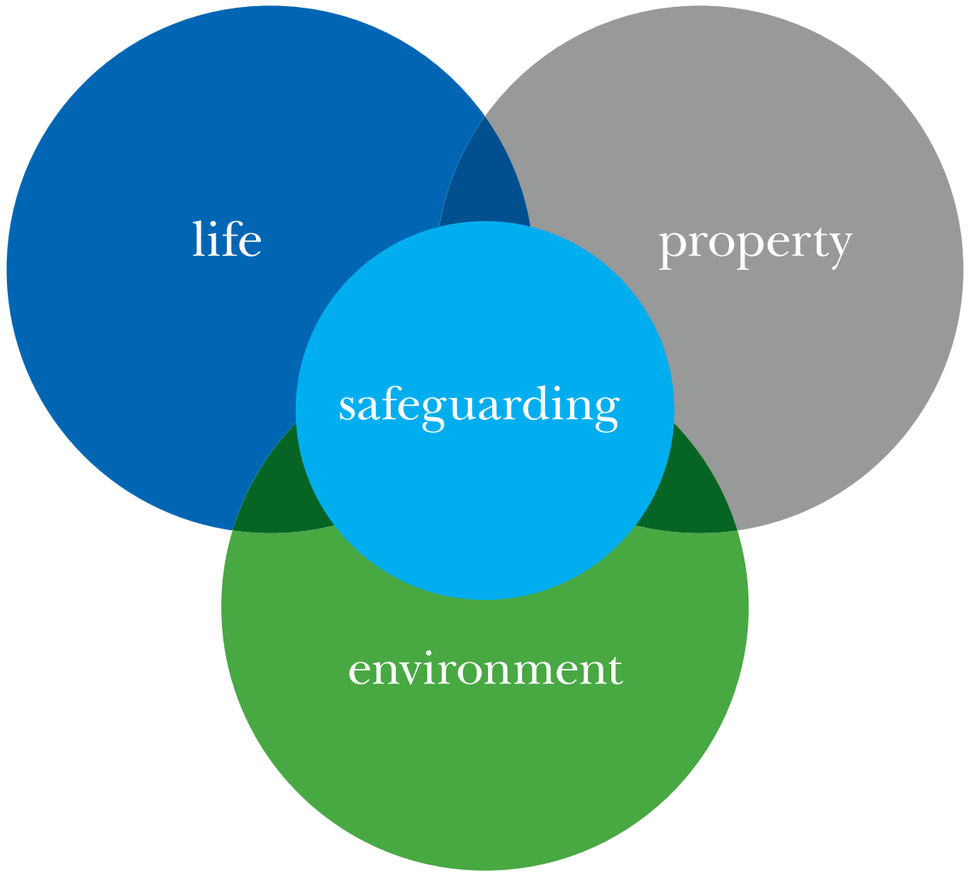
6 CHRISTINE MAIDMENT
Member of the Board since 2009, elected by the European employees outside Norway. HR Manager for DNV UK. Joined DNV in 1984.

7 ODD E. SUND
Elected Member of the Board by the Norwegian employees in June 2009. Principal engineer at the Høvik office. Joined DNV in 1981.

8 YAN MA
Member of the Board since 2007, elected by the employees in Asia and the Americas. Principal surveyor/site manager in DNV North China. Joined DNV in 1996.

9 HILDE M. TONNE
Member of the Board since 2008. Executive VP in Telenor since 2007. Formerly VP in Hydro and Saga. Member of the Board of Statkraft AS.

Our means of making a difference in what we deliver



- Ship classification
- Energy
- Certification
- Sustainability
- Innovation

The potential of 30% in tough times

When hardship hits, innovation finds fertile conditions. And 2009 was a tough year for the shipping industry. No stone will be left unturned to find operational efficiencies in the future. The good news is that this may also help cut emissions by up to 30%.

FOCUS ON SHIP CLASSIFICATION

It is widely accepted that the shipping industry would have been hit by a crisis irrespective of the financial turmoil and the consequent economic recession. Just two years ago – in 2007 – contracts to build some 5,000 new ships were signed globally. In 2009, this figure was just under 500. The overcapacity had been developing for years. At its peak, the order books for bulk carriers were almost 70% of the existing fleet – seven newbuildings for every ten existing vessels. Similar examples can be found within other ship segments. This was not a sustainable development.

Under such conditions, cancellations of newbuildings and lay-ups of existing vessels are solutions to be considered by owners. Between the crisis hitting the industry (October 2008) and the year-end 2009, almost 90 newbuildings that should have been built to DNV Class were cancelled. At the end of 2009, the number of DNV-classed vessels laid-up was more than 160. The whole shipping industry is turning every stone to save costs.

However, cost-cutting can be seen as an opportunity too. Together with shipowners, we have developed guidelines and tools to identify and implement short- and long-term initiatives to achieve fuel efficiency, and as a result reduce operating expenses and voyage costs. Throughout 2009, DNV took an active approach and utilised valuable industry best practices to identify efficiency measures that could benefit shipowners.

When it comes to lay-ups, and again together with shipowners, we developed rules and procedures to maintain the ships in a safe and cost efficient way and also reduce the recommissioning period and cost when the time comes for the ships to operate again.

CUTTING EMISSIONS FROM SHIPPING. The change in the global economy and increased global environmental concerns mean that shipping is facing a new reality. Ahead of COP15 in Copenhagen in December last year, significant attention was paid to bunkers and shipping emissions. However, when the conference ended, no conclusions or guidance had been provided for the future regulation of emissions from shipping.

During 2009, we analysed the fleet development, both the current one and the one predicted for 20 years into the future. Our study demonstrates that CO_2 emissions can be reduced by up to 15% below baseline now and by up to 30% in 2030. Most importantly, these results can be achieved in a cost effective way. The reduction potential reaches almost 60% in 2030 if all the identified measures are included and necessary investments made. These results have been presented to the International Maritime Organisation (IMO) and communicated to the shipping industry at large.

Before the financial crisis hit, there was a trend towards higher growth within the BRIC countries (Brazil, Russia, India and China) compared to the western world. What has been seen over the past year is that some of these are able to use their muscles and pick up speed faster than other nations. China – for example – will build almost half of the close to 80 new vessels that have been signed to DNV class during 2009. Among these are two more very large ore carriers for transporting iron ore from Brazil to China. This follows the giant order for 12 very such vessels from 2008, all with the record size of 400,000 deadweight tonnes.

Some of these vessels will most likely be operating until 2040. Based on projected climate change, DNV has evaluated the advantages of utilising the shorter trans-Arctic route in the years to come before 2040 and further on to 2050. These predictions show a continuous decrease in ice extent, concentration and thickness. However, even in 2050, the ice conditions will remain heavy during winter and spring, while open waters are predicted in the summer and autumn.

FOCUS ON ADDED VALUE. To be prepared for a future with fewer new ships being built and stronger competition on quality, efficiency and value for money, we have reviewed our class notations to ensure that all relevant parts of the rules provide the expected added value to customers. The aim is to demonstrate to both existing and new customers that our strong focus on quality, the environment and technical expertise also pays off in practice.

In 2009, DNV again topped the list of recognised class societies with the fewest detentions of ships according to the Paris MOU.

All the evidence points to some challenging years ahead for the shipping industry. In these tough times, we have used and will continue to use our technology platform and strong financial position to further develop our position as an innovator.

COMPETENCE AND INNOVATION. In order to ensure personal development challenges for top engineers who have chosen to pursue a technical career in DNV rather than a managerial position, the Top Tech programme has been created in cooperation with the University of California at Berkeley. To ensure the recruitment of talented young students, we are continuing to find new solutions to attract the best brains. Last summer, 13 hand-picked students worked for DNV on an innovative concept for 2050. They introduced a conceptual ship that is designed like a train and consists of several modules to address the need for environmental, flexible, and efficient shipping.

Our own research and innovation projects in 2009 included next generation container ships and LNG propulsion in shipping. An innovative container ship concept was developed in which flexibility was a central feature as an answer to a world of uncertainties. The ship is partially fuelled by LNG, which is predicted to become a much more feasible fuel – especially when it comes to short sea shipping.

OTHER ACHIEVEMENTS IN 2009

Q1 Guideline on lay-ups
An updated interim guideline for ship lay-ups was released providing a systematic and cost-effective approach to preparing the ship for lay-up and maintaining it in a safe and cost-effective condition.

Q2 Milestone passed for offshore units
The 200th mobile offshore unit in operation to DNV class was delivered.

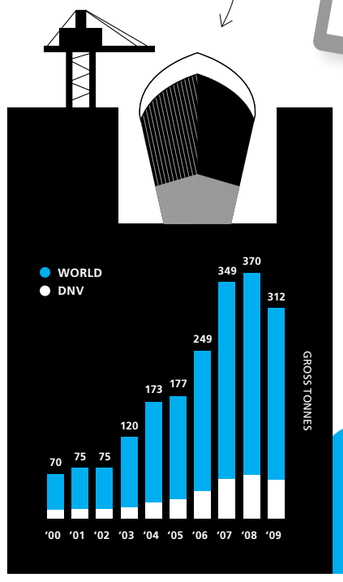
Q2 Ranking of ships' green performance
Launch of an Environmental & Energy Efficiency Rating Scheme (DNV Triple-E) that gives an objective assessment of an individual ship's performance irrespective of age or type. It also allows owners and operators to set targets, monitor improvements and document their success.

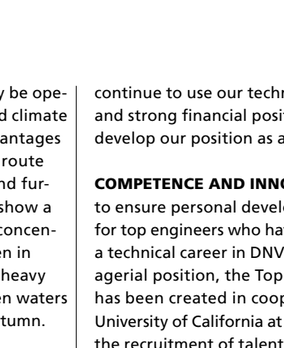
Q3 Best classification society globally
DNV was named best classification society globally by the maritime industry's leading publication, Lloyd's List. '… because it has focused, and excelled in three areas: quality, environment and technical competence.'

dnv.com / **industry** / **maritime**

SHIPPING IS FACING OVERCAPACITY

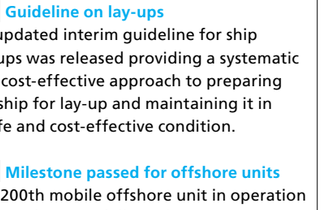
01 ORDERBOOK
Previously signed contracts ensure a continued high production of new ships, which makes the world fleet expand even further.



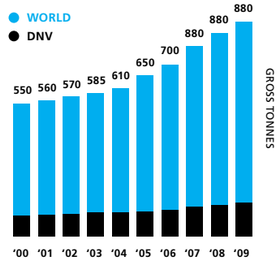


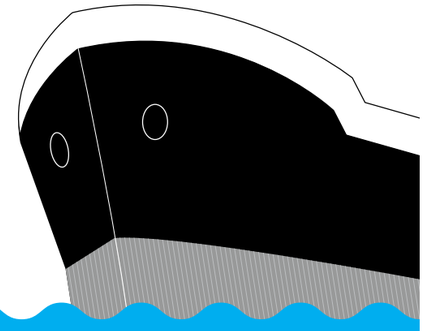
02 CONTRACTS
Contracting of new ships fell sharply with the financial crisis.

03 SEABOURNE TRADE



04 FLEET DEVELOPMENT





FLEET DEVELOPMENT NOT SYNCHRONISED
While world trade experienced a drop in 2009, the world fleet kept on expanding resulting in more ships to carry less cargo. The world fleet has grown unsustainably at around 8% per year since 2004.

The power of 9 metres per second

Although the global financial crisis caused a dip in energy demand and CO_2 emissions in 2009, the macro trends for energy remain the same. Demand is poised to increase by 50% over the coming 20 years, and climate change and security of supply will be major issues. Harnessing high wind speeds will be one of the energy solutions.

FOCUS ON ENERGY

To realise a low-carbon future, there must be a transformation of the whole energy industry, with a significant contribution from renewable sources.

However, fossil fuels will remain the dominant energy source for decades to come. But as easy oil is waning, oil exploration and production is being pushed to technologically challenging ultra-deep waters, the Arctic, and politically difficult areas. Investments are increasing in non-conventional sources, such as shale gas, and controversial hydrocarbons, like oil sands. Due to higher production costs in these areas there will be a renewed focus on existing facilities to improve their operating efficiency, extending field life, and enhance recovery of oil and gas resources. These have been main areas of activity for DNV in 2009 and continue to be so going forward.

As fossil fuels continue to dominate energy supply, there must be a transition to cleaner fossil fuels. When using higher CO_2 emitting oil and coal, the carbon must be captured, cleaned and stored. In addition, the use of lower emitting natural gas will have to increase. Wind energy will be the second biggest renewable energy source, next to hydropower and, in addition, nuclear power will experience a renaissance.

The transmission of energy will be controlled by smart grids that allow the more efficient generation, transmission and use of power. In addition, major new trunk pipelines will be used for gas and cleaner burning biofuels.

DEVELOPING IN MANY REGIONS. From China to Brazil and the US to Europe, DNV has assisted major energy players in their day-to-day business. In order to support and speed up the inevitable changes to the energy industry, we have been working closely with the authorities. Also, we have taken the initiative to lead the development of knowledge and technologies to address new frontiers.

Related to challenging exploration and production operations, we have supported a number of deep-water projects in Brazil. In the Arctic, we have coordinated the cooperation between Russian and Norwegian ministries and industries in order to develop common rules and best practices for health, safety and the environment in the Barents Sea. DNV also leads several other joint industry projects relating to this sensitive and harsh area. As regards production units already in operation, many operators are soon reaching the 'application deadline' for extending their operational time. In 2009, we helped authorities regulate in this area and supported operators in extending the life of the North Sea offshore structures.

Our internationally recognised pipeline standards are being used on the biggest and most challenging projects. Nord Stream's construction is progressing and will supply Europe with a significant share of its additional future energy needs from Russia when ready in 2011. In 2009, the Norwegian authorities asked DNV to develop standards for extending the life of offshore pipelines – an escalating issue worldwide.

CLEANER SOLUTIONS. LNG has been one of our strategic areas in order to support the transition from oil to natural gas. Previously, we have been involved in more than one third of the world's LNG projects, a share which grew significantly in 2009. An example is the South Hook regas terminal, which is capable of delivering 20% of the UK's gas demand. It started up in 2009 with verification support from DNV.

Carbon capture and storage (CCS) was also a major technological and political issue in 2009. We have provided considerable support to speed up large-scale applications of CCS. In addition to facilitating Europe's CCS development on behalf of the European Commission, three global joint industry projects are running on our initiative. On top of this, we support the individual industry players. Also, we published the world's first CO_2 transmission guideline together with authorities and major industry partners.

Its unified approach will ensure that CO_2 is transmitted in offshore and onshore pipelines in a reliable, safe and cost-effective manner.

The incentives for developing renewable energies increased in 2009, with the US and Europe providing governmental financial support to the wind industry. Since acquiring the US-based GEC in 2008, DNV is now a global leading service provider to the wind industry – with the broadest range of technical and business services throughout the wind project's life cycle. Our offshore wind turbine standard is still the most used, covering about 75% of the world's installations.

OTHER ACHIEVEMENTS IN 2009

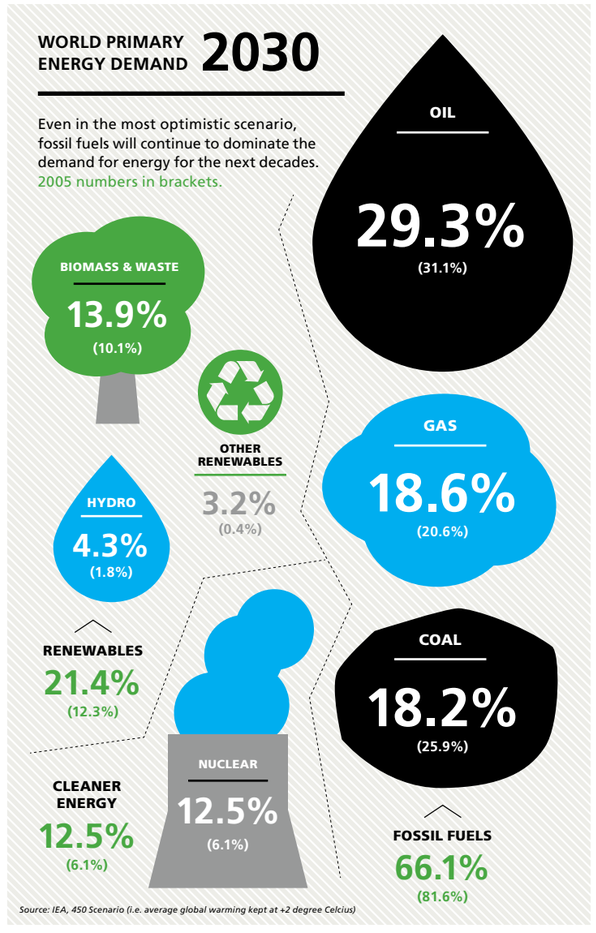
Q3 Wind installation vessels
In response to the emerging offshore wind power market, DNV launched the world's first class notation for offshore wind turbine installation vessels.

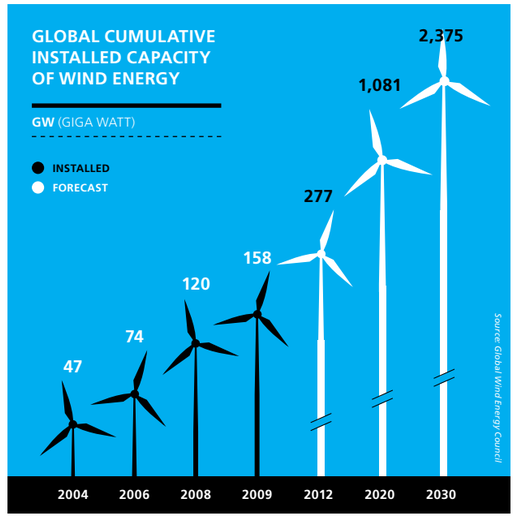
Q3 Clean energy unit in London
In order to support the UK's ambitious renewable energy and carbon abatement industries, such as wind, wave, tidal and CCS, DNV is strengthening its presence in London. A new unit will accommodate at least 25 specialists within a year.

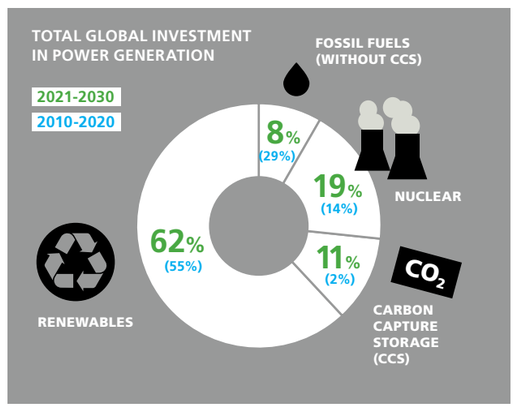
Q4 Global pipeline award
The American Society of Mechanical Engineers (ASME) awarded DNV the Global Pipeline Award 2009. This is the industry's most prestigious global award and emphasises the status of DNV's widely used pipeline standard.

Q4 Acquiring French risk company
DNV acquired the French company SOF CONSEIL – a leading professional provider of safety and environmental risk management services in France. It will be an important base for growing the French and North African energy market.

ENERGY TRENDS







The threat of two for one

A sustainable approach to everything we do is necessary in order to maintain viable production. For example, seafood is the world's most heavily traded primary product, but today we catch two fish for every fish consumed. The other ends up as waste. Complying with recognised international standards is one means of managing this challenge.

FOCUS ON CERTIFICATION

As a certification body, DNV helps companies achieve sustainable business performance without compromising on financial performance. In 2009, we were accredited to certify fisheries to the Marine Stewardship Council's standard for sustainable seafood. Certification communicates to consumers that the fish on their plate stems from a responsible fishery. Going beyond the food industry, a broad range of companies worked with us last year to address quality, safety and efficiency, thus improving their sustainable performance.

Demand for our certification services grew last year, mainly in relation to Management System Certification. The number of new customers requesting our Management System Certification services was above expectation in 2009, reflecting the need for companies to communicate trust and confidence in turbulent financial times too. This is also reflected in the development of the mature standards, like ISO 9001 (quality) and ISO 14001 (environment), which continue to grow.

Sustainability and environmental impact were essential keywords in the product certification market, with a shift from a single product focus to a more general life-cycle approach. The globalisation and harmonisation of certification specifications and schemes persisted.

Overall, we continued to broaden our certification portfolio. Accreditation was obtained for the Food Safety System Certification scheme FSSC 22000, GlobalG.A.P. Aquaculture and the Marine Stewardship Council schemes. Accreditation was also obtained for the Aerospace scheme EN 9120 and the Business Continuity Management scheme BS 25999.

CONSOLIDATING CERTIFICATION BUSINESS. The consolidation trend in the certification market is continuing. Companies are increasingly looking for one certification body that can handle their total certification needs to ensure consistency in delivery and the ability to provide consistent quality services internationally. They are looking for single providers of management system certification, product certification and inspection and testing services. We are therefore seeing a further consolidation within the testing, inspection and certification industry.

BUILDING CONFIDENCE IN WHAT WE EAT AND DRINK. The food and beverage industry continues to be a focus industry for us. The industry has seen consumer confidence being shaken worldwide following a series of high-profile food safety incidents. The industry must work collectively to restore confidence and ensure that all consumers can exercise their right to buy and consume safe food. Cooperation and the harmonisation of food safety standards are essential in order to ensure effectiveness.

In 2009, DNV's food and beverage services grew by 30%. The new Food Safety System Certification scheme FSSC 22000 was approved, and DNV delivered FSSC 22000 certification to key customers in nine countries simultaneously. The scheme helps food manufacturers systematically address food safety in every step in order to prevent failures. The first customer projects were completed under the Marine Stewardship Council scheme, and DNV successfully completed the first GlobalG.A.P. certification for shrimps in Indonesia, gaining recognition from Europe's largest shrimp company and generating further cross-regional projects.

We also launched Sustainable Supply Chain certification, allowing businesses to evaluate their supply chains sustainability.

The standard focuses specifically on quality and value creation in relation to stakeholders. It was inspired by the Italian coffee roaster Illycaffe's business model and covers economic, environmental and social responsibility. While developed for the green coffee sector, the same logic can be applied to other supply chains.

PRODUCT SUSTAINABILITY STANDARD. DNV is developing a standard for the assessment and certification of the sustainability performance of products, in partnership with BASF. The standard aims to establish a credible, objective and transparent approach to assessing and communicating the sustainability performance of products, taking into consideration a wide range of environmental, social and economic impacts arising throughout the course of the product's lifecycle.

IMPROVING QUALITY AND SAFETY IN THE HEALTHCARE SECTOR. The late 2008 approval of DNV Healthcare's hospital accreditation programme by the US government offered American hospitals a new choice for accreditation. The scheme has also been adopted in Brazil and India. Hospitals vary from single hospitals, large and small, to multi-hospital systems such as IASIS who is the first hospital system (16 hospitals) to embark on DNV's approach for improved quality and patient safety with all its hospitals. The growth is expected to continue throughout 2010 and the international accreditation of hospitals is also gaining interest in countries with active medical tourism.

MAKING BUSINESSES MORE ROBUST. As globalisation is making competition tougher, companies need to be able to handle critical business incidents which could harm their production, resources, reputation, earnings and ultimately survival. In response, we added the BS 25999 Business Continuity Management assessment in our service portfolio. The BS 25999 standard enables companies to prepare for any threats and implement necessary contingency solutions to maintain business as usual in case of any incidents.

OTHER ACHIEVEMENTS IN 2009

Q2 **New business assurance services**
An eco-labelling certification was launched in Spain. Assessment schemes for sustainable coffee products were launched in Italy.

Q2 **Strengthening supplier capacity**
DNV assisted the Global Food Safety Initiative and Michigan State University in developing a Food Safety Knowledge Network, strengthening supplier capacity in emerging markets.

Q4 **Rapidly approaching 100 hospitals**
Within one year of our approval by the US government to act as an accreditation organisation, DNV is approaching the milestone of accrediting 100 hospitals helping improve quality and patient safety.

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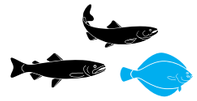
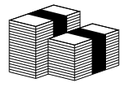
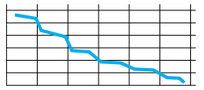
OVERFISHING AND INEFFICIENT VALUE CHAINS



About one third of the world's fish stock are endangered.



The seafood industry generates USD 400 billion a year.



The world will run out of seafood by 2048 if the steep decline in marine species continues at current rates.

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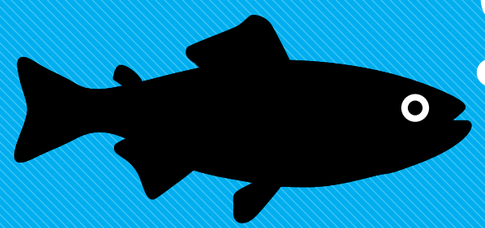
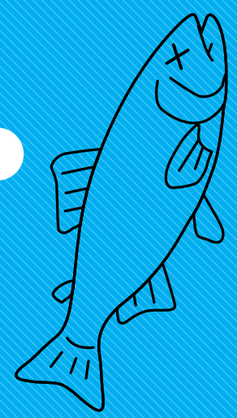
Half the fish caught ends up as waste, due to inefficient value chains and overfishing.





200 MILLION PEOPLE

More than 200 million people depend directly or indirectly on fishing for their main source of income.

1 BILLION PEOPLE

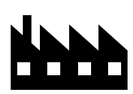
A billion people eat seafood as their main source of animal protein.

Source: The Food and Agriculture Organisation, the UN Food Agency

VALUE CHAIN AND DNV'S VALUE ADD

01 HARVESTING
Ensure environmentally and economically sustainable production.

02 PROCESSING
Manage risk, quality and safety in food processing.



03 PACKAGING
Guarantee safe and hygienic packaging.

04 LOGISTICS
Ensure safe transportation and storage.

05 CONSUMERS
Build trust and confidence in what we purchase or consume.

The importance of 2° Celsius

Keeping the expected rise in global temperature below 2°C will require concerted efforts on many fronts. How businesses respond to new risks and expectations of responsible conduct will have a decisive impact on global sustainability.

FOCUS ON SUSTAINABILITY

The climate negotiations in Copenhagen in late 2009 did not manage to arrive at binding commitments on how greenhouse gases emissions are to be curbed in the years to come. What the world leaders agreed on in the 'Copenhagen Accord' was to work for solutions to reduce emissions to the level necessary to avoid a global temperature increase of more than 2°C. A two degree average temperature rise will still have quite dramatic effects on many local societies. Businesses will have to adapt to these changes.

A key issue in solving the challenges of providing a minimum of prosperity to an ever growing world population without rapidly exploiting all the natural resources is how we are able to develop sustainable businesses and societies. A sustainable business is characterised by being able to balance economic development with environmental and social impact. DNV believes that sustainable business development is the only way forward. We continued in 2009 to build a position to help businesses assume a leadership role and build a sustainable advantage in the market.

BUILDING TRUST IN THE CARBON MARKET. The need to cut greenhouse gas emissions has created a global carbon market, in which credits from emission reducing projects are being traded. DNV was one of the first accredited organisations to perform independent validation and verification of Clean Development Mechanism (CDM) projects, an arrangement under the Kyoto Protocol. Our role is to build trust in the fast emerging carbon market, which had an estimated value of Euro 94bn in 2009. The market stayed flat in terms of value in 2009, but expanded by 68% in terms of volume. DNV is involved in all major trading schemes, but has its strongest position in the field of CDM.

The accredited organisations (DOEs), which validate and verify CDM projects, became subject to increased quality monitoring and assessment in 2009, and DNV reacted by thoroughly improving its quality system. This has resulted in better response times and greater predictability for our customrs. More competitors entered into the CDM validation and verification market last year, resulting in DNV's accumulated share of the global market for validation projects declining. However, DNV is still the largest player in this sector having validated and verified 31% of all CDM projects.

New carbon trading schemes are emerging, and DNV has taken positions early on. Korea launched a new trading scheme last year, and DNV is the dominant validator. We also expanded our services to include voluntary carbon market validation and verification services, notably in the USA, with a dedicated and experienced team. In addition, we piloted new energy efficiency services for the energy industry, with projects in China and Germany.

ASSESSING SUSTAINABILITY PERFORMANCE. Corporate Responsibility (CR) is about how businesses achieve long-term value for shareholders and broader stakeholder groups through sustainable environmental, social and governance practices.

A challenge for many companies today is to focus their resources effectively on managing CR risks and measuring performance. In 2009, our CR assessment, advisory and training services helped customers decide on the strategic relevance to them of a broad range of environmental, social and business ethics risks. The benchmarking of sustainability performance is an area where we are developing industry-specific capabilities.

ENSURING CREDIBILITY THROUGH REPORTING. Many companies now recognise that corporate reputation and trust depends increasingly on meeting the growing information needs of both internal and external stakeholders. Reporting related to businesses' environmental and social performance has therefore increased dramatically, from a few hundred reports annually in the early 1990s to more than 3,000 reports annually since 2007 (data from CorporateRegister.com).

Since launching our report verification service in 2004, we have assured the integrity of more than 150 reports worldwide. As companies depend upon trust and confidence in difficult economic times, our sustainability reporting services are helping customers communicate a transparent management approach and credible performance data.

TOWARDS A GLOBAL AGREEMENT ON SOCIAL RESPONSIBILITY. In 2009, we continued to contribute to the development of the ISO 26000 Guidance Standard on Social Responsibility (ISO/SR). The standard is aimed at all organisations, commercial or public, large or small, and has been developed by one of the biggest multi-national stakeholder initiatives within the CR area. Since 2001, we have been an expert delegate to the international working group on ISO/SR and active in several national mirror committee groups. With in-depth knowledge of the standard, DNV is helping customers to understand and use it effectively in their business.

OTHER ACHIEVEMENTS IN 2009

Q4 Sustainable City Project
In an effort to become a 'Socially Responsible Territory' a municipality in Spain relied on a framework developed by DNV to assess and benchmark a range of impacts relating to social, environmental and economic dimensions of urban development.

Q4 Global CEO survey
How do CEOs worldwide view Corporate Responsibility (CR) in light of the global economic crisis? Together with Bocconi University we surveyed 7,000 companies worldwide and found that CR is increasingly perceived as a core part of a company's overall strategy.

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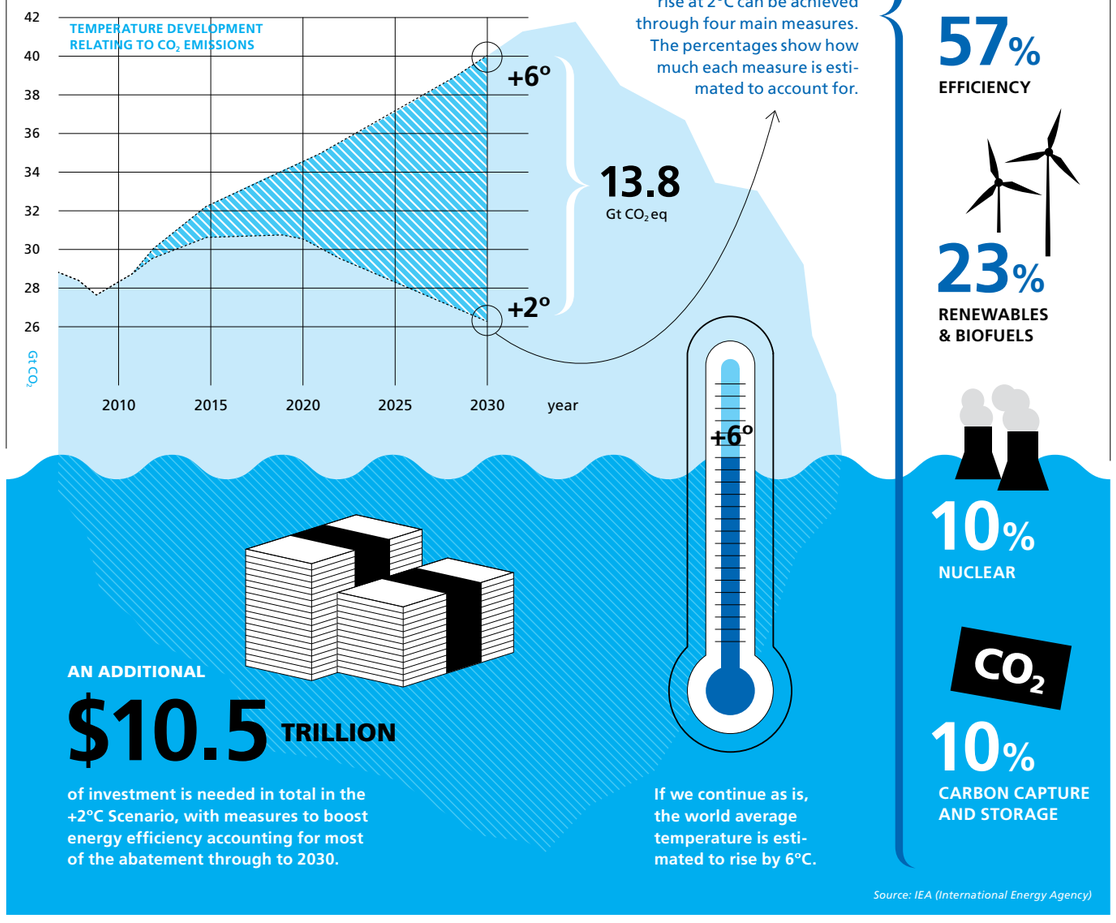
HOW TO MEET THE CLIMATE CHANGE CHALLENGE



The knowledge of 100 experts

Our core philosophy is that technology development and knowledge sharing increase innovation and safety. So when the industry is facing challenges, the best solution is to join forces. In 2009, we released new standards and initiated a large number of joint industry projects with this in mind.

FOCUS ON INNOVATION

Tackling arctic challenges was one of many areas where we applied this approach in 2009. The arctic region is estimated to hold 20-30% of the world's unexplored hydrocarbons. Also, retreating ice-packs in the region enabled last year, for the first time, two commercial vessels to make a 7,400 km shortcut from Asia to Western Europe by navigating the trans-arctic northeast route. The potential of the arctic is unquestioned. Exploiting this potential however, entails many challenges: A highly vulnerable environment, ice, icing, darkness, low temperatures and remoteness.

In December, the joint Norwegian-Russian project 'Harmonisation of HSE standards for the Barents Sea' was completed. More than 100 Russian and Norwegian experts from the industry and research institutions gave recommendations on how existing standards may be improved for oil and gas operations and related maritime transport in the Barents Sea. The project was lead by DNV and funded by The Norwegian Ministry of Foreign Affairs, Norwegian industry and Gazprom.

Two new Joint Industry Projects related to the Arctic was also started by DNV in 2009. One to look at best practice design principles for ice loads on structures, and one to look at icing issues related to large constructions in the arctic.

KNOWLEDGE SHARING SPEEDS UP INNOVATION: Initiating Joint Industry Projects has proven a very effective way of driving innovation, and DNV continues to use this method – notably within the energy and maritime industries. This way of working encourages cooperation and development between many industry players and authorities. They rely on DNV's independence, industry knowledge and competence to run such cooperative projects. Our role is often to develop new technologies, benchmark and qualify new approaches and to share best engineering practise from our vast knowledge base. The main driver is to balance the needs of all the stakeholders.

Although most companies are facing a tougher economic environment, the need to tackle technological challenges and associated risks continues to increase. By joining forces the impact can be greater and more cost-effective.

We are currently facilitating 38 such joint industry ventures within the energy industry and 19 projects in the maritime industry, involving a vast number of players. In addition, we participate in more than ten EU projects.

TURNING TODAY'S INNOVATION INTO TOMORROW'S STANDARDS. While some of the joint industry projects find solutions to specific technical challenges, others aim to develop new global standards and recommended practices. An example is DNV's pipeline standard, which has been recognised to such an extent that about 70% of all offshore pipelines are designed, constructed and installed to meet its requirements.

2009 saw more than 20 new DNV standards, guidelines and recommended practices for the energy industry. One of them was the world's first class notation for offshore wind turbine installation vessels. This is an example of utilising an existing DNV standard – in this case for classifying drilling and production vessels in the oil and gas industry – and modifying it so it can be applied for a new emerging area like offshore wind farms. Within the maritime sector we published some 90 new or updated standards in 2009. Several new notations have been introduced as well as general rule updates due to new or revised IMO and IACS regulations.

Another example from the past year was our guideline for reducing the downtime of software-intensive control systems on offshore rigs. The guideline identifies the technical and management activities critical to specifying, developing and maintaining a software-dependent control system. It also addresses processes and the roles of owners, operators, system integrators and suppliers in ensuring that rigs work reliably.

MAKING CARBON CAPTURE AND STORAGE HAPPEN. One of the most exciting examples of best practice knowledge sharing in 2009 was in the field of Carbon Capture and Storage (CCS). CCS is one of the promising means to reduce CO_2 emissions. A barrier to effective large-scale deployment of CCS is the current lack of recognised standards and guidelines that can support implementation in compliance with emerging regulatory frameworks. DNV has developed guidelines for the capture, pipeline transportation and storage of CO_2. This work contributes to a transparent, consistent and cost-effective deployment of CCS technologies.

The development of such guidelines has been performed through DNV-initiated Joint Industry Projects in collaboration with industry, national authorities, international institutions and public enterprises assigned responsibility for managing CCS. Our partners behind the publishing of the world's first guideline the transmission of CO_2 included ArcelorMittal, BP, Chevron, Dong Energy, Gassco, Gassnova, ILF, Petrobras, Shell, StatoilHydro and Vattenfall.

INNOVATING OUT OF THE DOWNTURN. After a decade of strong growth, DNV is, like many of its customers, adapting to a bleaker market situation, first of all triggered by a sharp fall in the shipbuilding market. One of our responses is to continue to invest in research and innovation to offer more and smarter services to our customers – now and in the future.

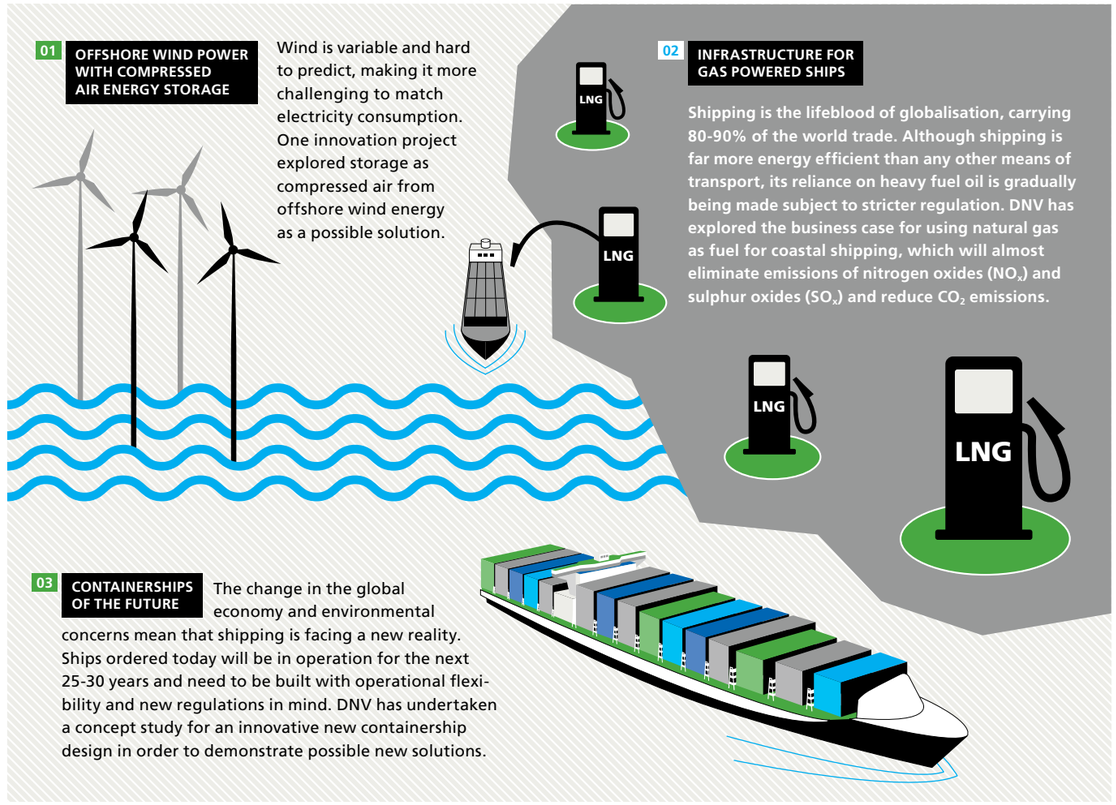
In 2009, we initiated nine extraordinary innovation projects, each with multi-discipline and cross-geographical teams working together to come up with potential solutions in a wide range of fields; from container shipping and maritime component tracking to virtual pipeline operations and infrastructure to enable gas-powered short sea shipping.

COMBINING COST-EFFECTIVENESS AND GREEN SHIPPING. There has been increasing awareness within the shipping community that maritime transportation will have to take its share of the necessary future reductions of greenhouse gas emissions. Over the past few years, DNV has been involved in a wide range of research projects, exploring more efficient ship design, construction and operation.

Some projects are exploring new technologies for the future, such as fuel cells. Other projects are exploring more efficient machinery and propulsion systems, improved hull design, and improved operational measures, like routing and planning. By accumulating results from many of these projects, DNV has developed the Return on Investment Tool and Marginal Abatement Cost Curves. The return on investment tool provides easy comparison of alternative abatement measures for one specific ship or a defined fleet of ships. The Marginal Abatement Cost Curves identify the most cost-efficient measures for the entire fleet, and the corresponding volume of greenhouse gases abated (see graph on the next two pages).

dnv.com / **innovation**

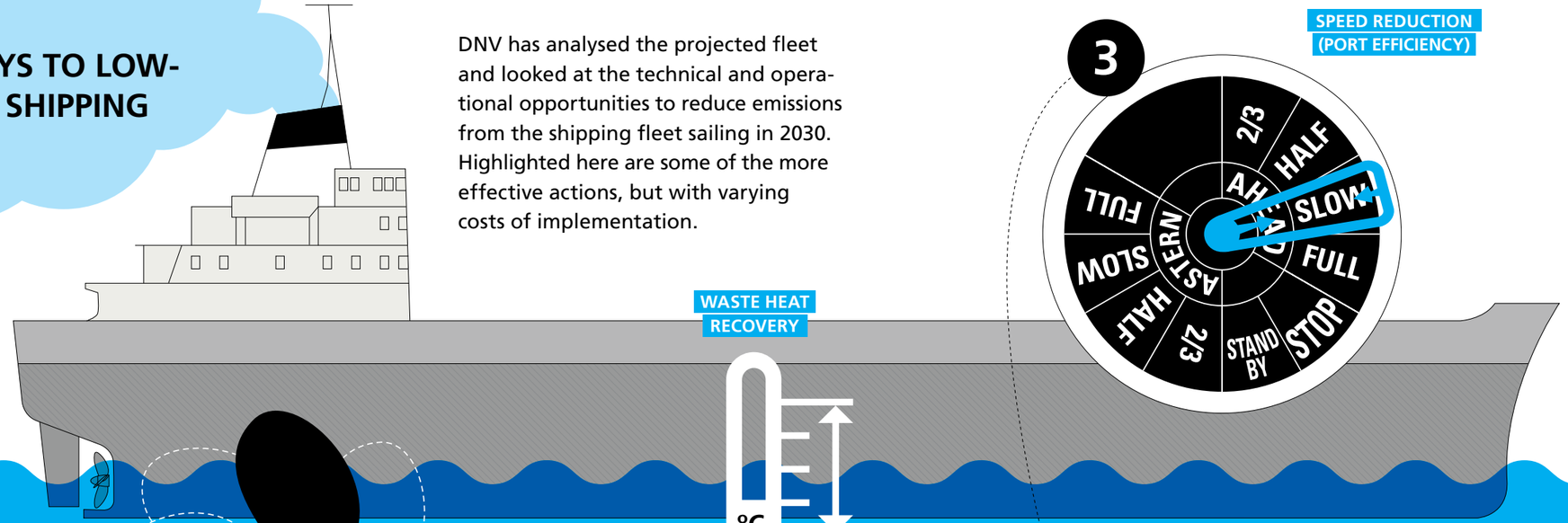
EXAMPLES OF EXTRAORDINARY INNOVATION PROJECTS LAUNCHED IN 2009



PATHWAYS TO LOW-CARBON SHIPPING

DNV has analysed the projected fleet and looked at the technical and operational opportunities to reduce emissions from the shipping fleet sailing in 2030. Highlighted here are some of the more effective actions, but with varying costs of implementation.

More information:
dnv.com / **abatement**



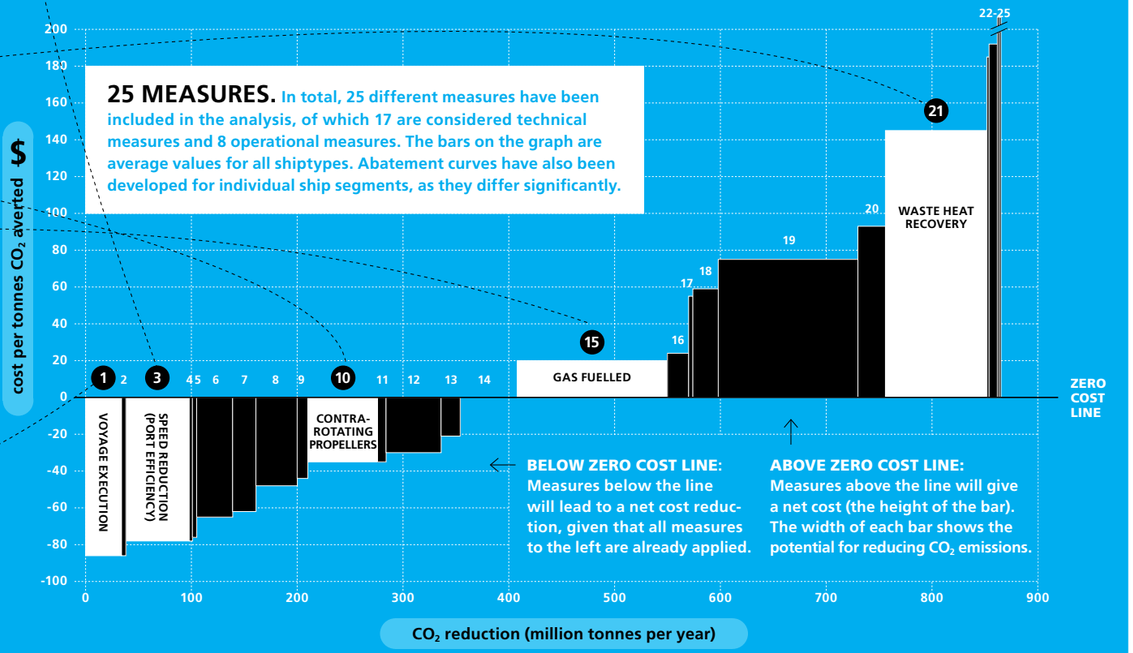
COST-EFFECTIVE ABATEMENT POTENTIAL IN 2030

30%

= more than 400 million tonnes CO_2 per year

The study demonstrates that, by 2030, CO_2 emissions can be reduced by 30% in a cost-effective way (the negative values below the zero cost line), and by almost 60% if all the identified measures are included.

ABATEMENT CURVES



25 MEASURES. In total, 25 different measures have been included in the analysis, of which 17 are considered technical measures and 8 operational measures. The bars on the graph are average values for all shiptypes. Abatement curves have also been developed for individual ship segments, as they differ significantly.

BELOW ZERO COST LINE: Measures below the line will lead to a net cost reduction, given that all measures to the left are already applied.

ABOVE ZERO COST LINE: Measures above the line will give a net cost (the height of the bar). The width of each bar shows the potential for reducing CO_2 emissions.

Source: DNV

CLIMATE CHANGE ADAPTATION. Regardless of CO_2 reduction measures implemented in the future, it is widely recognised that the average temperature on earth will increase, with climate change as an unavoidable consequence. We have initiated several research efforts in the area of climate change risk management and adaptation. One project deals with uncertainties in investment decisions for ports, terminals, ships and offshore structures. A second project focuses on design loads for ships and offshore structures in the future.

SOFTWARE AS A KNOWLEDGE REPOSITORY. Our suite of in-house developed and off-the-shelf software tools represents an essential part of our service delivery to customers in the maritime and energy industries. Our Nauticus, Sesam and Safeti software suites have embedded DNV knowledge and best practices to increase our customers' productivity through effective operations. Customers also use the software to store information on and the status of ship structures, offshore structures and other assets.

SHARING KNOWLEDGE THROUGH TRAINING. Transferring knowledge and competence to our customers through training services is an important part of our strategy. The greatest demand for training in 2009 was related to certification services like the management system standards ISO 9000 (quality), ISO 14000 (environment), OHSAS 18001 (health and safety) and various food safety standards. We also provided a significant amount of training to maritime clients and the IT industries in 2009. We saw an increased demand for advanced courses focusing on safety, risk management and Corporate Responsibility in relation to all customer groups. Several new training courses were developed in 2009, including courses on Business Continuity Management, Supply Chain Management and ISO 31000 Risk Management.

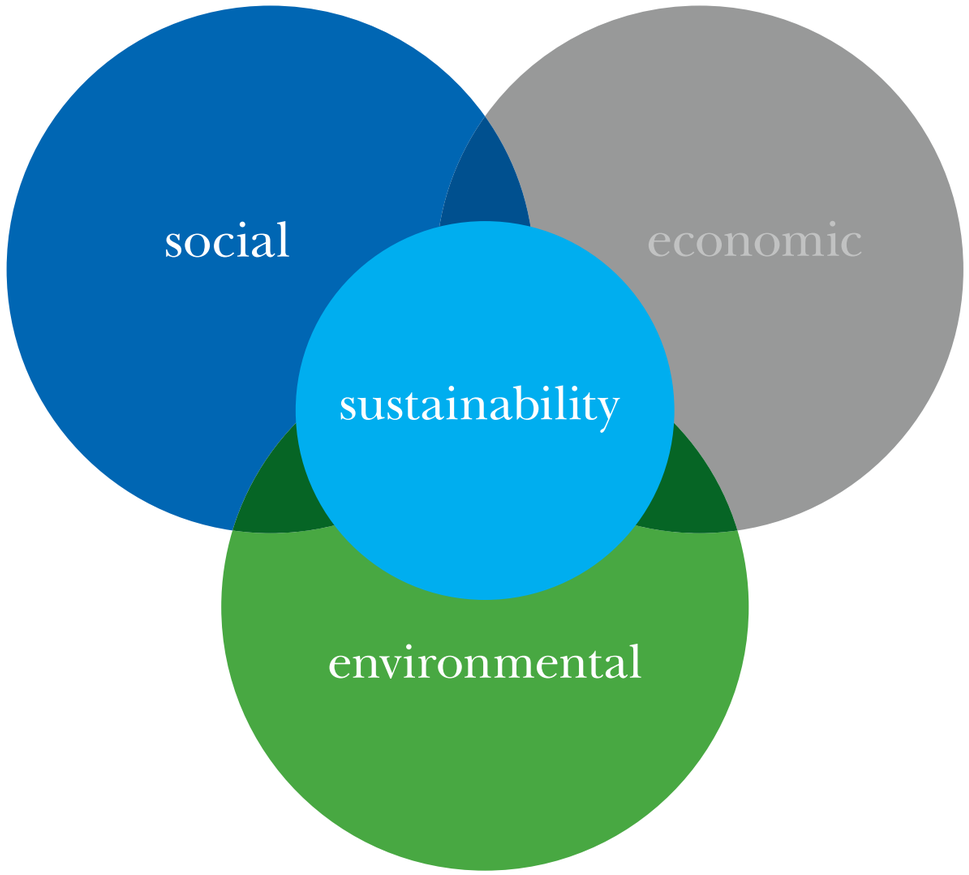
OTHER ACHIEVEMENTS IN 2009

Q1 Facilitating the EU's CCS development
The European Commission asked DNV to facilitate a process to shorten the time from policy making to industry implementation of Carbon Capture and Storage (CCS). DNV's role is to provide expert input to the European Commission for establishing and facilitating the gathering and sharing of information. DNV is organising knowledge sharing events and tools and providing specialised communications and CCS technology services.

Q4 The world's most environmentally friendly ship. The *Viking Lady*, the first commercial ship ever with a fuel cell specially adapted for marine use, visited Copenhagen in December. It docked in the city centre of the city and was used for several COP15 arrangements. Featuring as a main part of the FellowSHIP research project headed by DNV, the ship's LNG driven fuel cell delivers auxilliary power in place of a normal diesel power generator.

The FellowSHIP project started in 2003 and is managed by DNV, Eidesvik Offshore, Wärtsilä Ship Power, Wärtsilä Ship Design and MTU Onsite Energy. DNV has approved the system, taking into consideration all the safety and risk aspects of the installed equipment. The development of class rules for the installation of fuel cells onboard vessels is a critical part of the project.

Our means of making a difference in how we work



The value of commitment

Corporate Responsibility (CR) in DNV is about striving for a balance between environmental, social and economic performance and about enhancing the positive impacts that our core business activities have on society.

SUPPORT OF UN GLOBAL COMPACT PRINCIPLES

DNV is committed to the universal principles of human and labour rights, environmental standards and anti-corruption and signed the UN Global Compact in 2003. DNV works to continuously demonstrate responsible practice in these areas within its own organisation as well as advancing these principles with others through its objective to safeguard life, property and the environment.

CORPORATE RESPONSIBILITY

Our greatest influence and contribution to sustainable development is through our services. This impact has been described in the first part of this report. Our corporate responsibility must also manifest itself in how we manage our people, our own impact on the environment and responsible business conduct and our relations with society at large. Our progress in these areas is reported under:

- Business ethics
- Society and stakeholder engagement
- People
- Environment
- Health & safety

BUSINESS ETHICS. DNV's Corporate Social Responsibility (CSR) Board continuously monitors the risks and opportunities associated with our global presence. The corporate responsibility impacts and risks that are considered material to our operations are included in DNV's corporate risk management tool, Easy Risk.

One of our core values is to never compromise on quality and integrity. To ensure responsible and ethical business conduct, we focus on awareness raising and training among employees. We reached our target of offering 'Dealing with Dilemma' workshops to all employees by the end of 2009. Those employees that have not been able to attend a workshop session have taken a web-based course at the beginning of 2010 as a minimum requirement. Our focus on dilemma training will continue as it has proven to be a successful means of both creating awareness of DNV's policies and instructions and giving the employees an opportunity to discuss and reflect upon dilemmas in their everyday work situations.

In 2009, we also introduced new guidelines and process descriptions for how employees can report incidences or suspicions of misconduct. Misconduct is defined as breaches of DNV's Code of Ethics, Corporate or local policies and instructions, laws or regulations. All employees should report occurrences or suspicions of misconduct by employees, subcontractors or agents working for, or on behalf of, DNV. The guidelines focus on reporting channels and how a report should be handled and investigated. Employees have several possible channels for reporting misconduct and, when required, an Ombudsman route is available as a safety valve.

DNV has had an Ombudsman since 2004. This route is used by employees to report those ethics cases they believe are difficult to address directly to the line management. The Ombudsman was contacted in 20 individual cases in 2009. Of these, 3 cases have been pursued by the Ombudsman and have contributed to improvement actions in the organisation. The remaining cases were – after consultation and agreement with the employee – passed on to the line management for follow-up actions. The Ombudsman also acts as an ethical helpline and is often contacted by employees and managers seeking advice and guidance on ethical dilemmas. A growing number of inquiries relate to challenges associated with entering into or withdrawing from business in certain countries where the safety and security of employees is at stake or where corrupt business practices are common.

SOCIETY AND STAKEHOLDER ENGAGEMENT. DNV actively supports several national and international initiatives and associations that focus on sustainable development and the role of business in society. Our commitment to the UN Global Compact principles is shown throughout this report. In addition to advancing the principles in its own organisation, DNV contributes to the work of the UN Global Compact, among other things through the advisory committee on Supply Chain Sustainability.

DNV is an organisational stakeholder and a member of the Stakeholder Council of the Global Reporting Initiative (GRI) and continuously works to satisfy the transparency promoted by the GRI guidelines. We are also a member of the Standards Board of AccountAbility (AA) and the AA committee focusing on Stakeholder Engagement.

Our membership of the World Business Council for Sustainable Development continues to provide an excellent platform to work on the business contributions to sustainable development. A particular focus is given to the work on Climate and Energy, whose core team includes DNV's CEO Henrik O. Madsen.

COMMITTEES – ENSURING RELEVANT SERVICES AND STANDARDS. On a more operational and technical level, DNV has established a wide range of non-decision-making committees consisting of customers and technical competence centres. The committees advise on how to develop our services and standards and how to promote our interests in the countries and segments we operate in. The committees are typically chaired by a customer representative. Similarly, the DNV units holding accreditations from national accreditation bodies have set up advisory boards. We also conduct regular customer satisfaction surveys. This feedback is used to continuously improve the quality and relevance of our services.

For a full overview of the committees advisory boards and their members, see:

dnv.com / **moreondnv / profile / committees**

COMMITTED TO HELP. Since 2004, DNV and the Red Cross have worked together to provide access to safe drinking water and improved sanitation for vulnerable people around the world. An increasing number of employees are implementing their own initiatives to help, working as volunteers in their local communities together with colleagues and the Red Cross.

In 2009, villagers in Dung village in Vietnam's Phu Tho province celebrated the completion of a new water supply system together with the Red Cross and DNV. Employees joined the villagers in further improving the living conditions in the village, such as by painting and redecorating the village kindergarten.

Ever since the Sichuan earthquake in China in 2008, employees in China have been committed to help children at a Sichuan school that was badly damaged in the earthquake. The school building has now been rebuilt thanks to cooperation with the Red Cross. Employees have worked together to fulfil the 'annual wish' of the students. Other projects were completed in partnership with the Red Cross in other parts of the world.

In addition to the partnership with the Red Cross, DNV is in the process of rolling out 'WE help'. Modelled on the environmental project 'WE do' described on page 34, 'WE help' aims to help employees become involved in humanitarian projects in their region. Although developed through-out 2009, with some regions already implementing their own initiatives, the programme's official launch is scheduled for 2010. The programme came about to help facilitate the positive work employees are already engaged in during their daily lives.

More on our Corporate Social Responsibility work can be found at:

dnv.com / **moreondnv / cr**

The engagement of competent people

2009 has been a year of consolidation for DNV. While manning figures have increased, it has not been on the same scale as in previous years. The focus now is not so much on increasing the number of employees, but rather on developing the competence of our people further.

MANAGING OUR PEOPLE

With the announcement at the latter part of 2009 of DNV moving back to a geographical divisions, consolidation of maritime and energy activities becomes even more important. While our energy-related business is projected to grow by up to 50% over the next four years, the maritime industry continues to contract; putting even more importance now on moving people from Maritime to Energy wherever possible

BUILDING COMPETENCE IN TOUGH TIMES. The financial crisis has, of course, caused concern for DNV, resulting in some cutbacks in areas where the market is contracting. However, the company has focused on planning for the longer term while in a current position of strength: resources are being used towards competence development. Top Tech – a programme designed for our top engineers that choose a technical rather than a managerial career path – continues to recognise DNV's top technical employees and broaden their competencies across business areas. Likewise, the numbers of attendees to the Leadership Development programme, which has four different modules targeting specific topics and experience levels, have also remained strong. A new framework for succession management and performance management for managers was introduced, and is tied to the overall development of leadership performance in DNV. Following programmes rolled out in Asia and Europe, mentoring programmes continue to be developed with a new North American mentoring programme set to roll out next year. Through this, we aim to increase diversity in DNV, with more local management and female managers. Streamlining the competence management process has also been identified as a need, and a project group is working on the development of a competence management process to be used in the upcoming years.

FURTHER ENGAGING EMPLOYEES. In the past, we have focused on measuring the employees' satisfaction level. Now, the focus is going beyond just satisfaction to also monitor engagement levels. Developed in 2009 and based on the previous People Satisfaction Survey, the new People Engagement Survey is scheduled for launch in 2010. It will be used annually as part of the goal setting for units and leaders, with the idea that it helps us understand what drives an employee and may help indicate the potential barriers that could hold that employee back. The aim is to strengthen an engaging DNV culture and have a positive impact on our overall performance.

To ensure further opportunities for engagement on the part of employees, DNV has introduced the Global Employee Forum (GEF). Developed in 2008 and officially launched in 2009, GEF had its first meeting in September 2009. The forum was established to ensure employee input and representation in all important corporate processes and is made up of employee representatives from Norway, Europe, Asia and the Americas. GEF will meet on a regional basis each spring and in the autumn for a joint annual meeting.

THE IMPORTANCE OF EACH INDIVIDUAL. Although DNV has used a tool for managing individual performance (MIP) for several years now, the tool was revamped in 2009 and has experienced extraordinary participation this year, reaching a participation rate of 97%. The MIP process helps employees and managers set priorities through effective communication about mutual expectations for the employee's work, performance and competence development. It is instrumental in turning plans into action, and helps DNV achieve results through people.

TABLE 01 WORKFORCE BY EMPLOYMENT CONTRACT

	2008	2009
DNV Employees, permanent contract (Class A*)	8 259	8 488
DNV Employees, long-term contract (Class C)	435	379
Subcontractors, non-DNV employees	3 016	3 079
Extra personnel, non-DNV employees	584	419

*Approximately 30% of DNV employees (Class A) are covered by collective bargaining agreements. DNV's management has taken active steps to allow employees to participate in DNV's governing bodies and strategy development processes. DNV full-time and part-time employees (Class A) generally have the same benefits per salary grade per country. Some benefits vary between permanent and temporary employees, e.g. eligibility for bonus.

FIGURE 01 EMPLOYEES, LEVEL OF EDUCATION

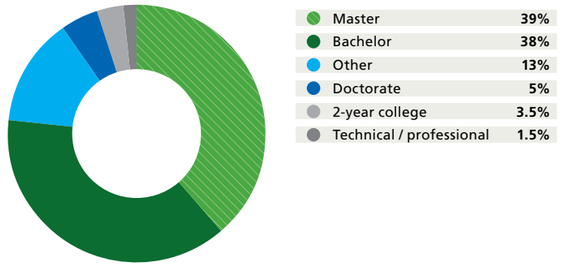


FIGURE 02 EMPLOYEES, WORLDWIDE PRESENCE

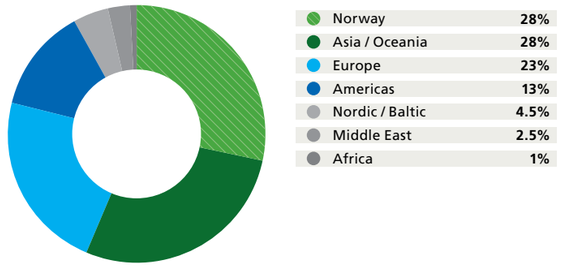


FIGURE 03 WORKFORCE BY AGE GROUP

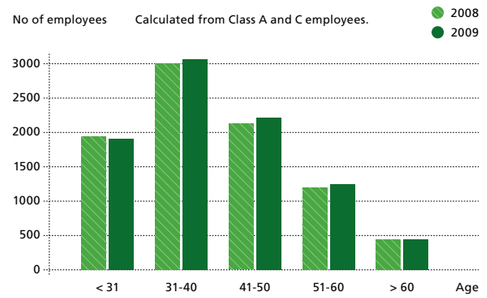


FIGURE 04 TURNOVER BY AGE GROUP (%)

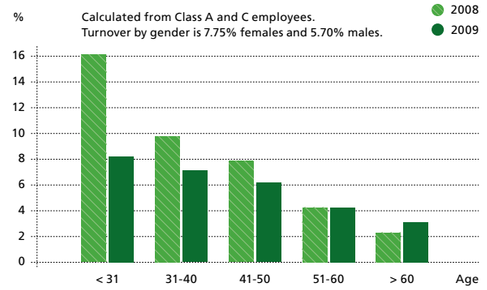


TABLE 02 WORKFORCE WORLDWIDE

	Employees[1]		Females (%)		Turnover[2] (%)		Expatriates (%)		Local management[3] (%)	
	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
Africa	76	73	28	25	14.1	11.9	11.8	13.7	40.0	40.0
Americas	1 127	1146	35	35	14.5	10.7	2.6	2.9	76.7	76.8
Asia/Oceania	2 427	2482	28	28	6.8	5.7	9.9	9.8	64.8	67.4
Europe	2 003	2012	36	37	9.7	7.7	2.4	2.2	89.3	89.4
Middle East	227	226	26	27	17.3	10.2	12.8	12.8	17.6	20.6
Nordic/Baltic	389	405	33	34	7.9	7.8	0.8	2.2	88.9	85.7
Norway	2 445	2523	31	32	7.4	3.3	1.4	1.3	93.7	92.3

1 Number of Class A and C employees **2** Percentage turnover (calculated from Class A employees) **3** Local managers – managers who are native to country

The nature of thinking green

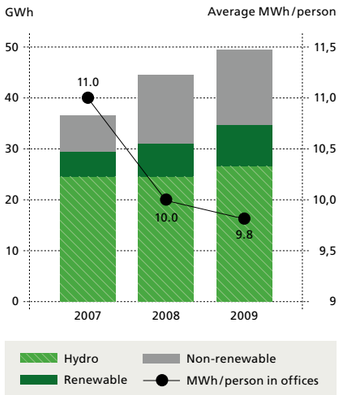
In complying with the ISO 14001 standard for environmental management systems we are making efforts to continually improve our environmental reporting. A range of new initiatives was launched during the year, ensuring a continued reduction in our environmental impact.

ENVIRONMENTAL IMPACT

The annual environmental reporting in DNV is mandatory for our five petroleum services laboratories (VPS) and the ten largest office locations, and voluntary for all other offices with more than 40 employees. In 2009, environmental reports were submitted from the five VPS labs and a total of 19 office locations representing approximately 53% of our workforce. The annual environmental reporting for 2009 disclosed concerns regarding the quality of the data reported from some locations. The majority of these concerns have been addressed and the consolidated data presented here is generally reliable. In 2010, we will revise our environmental reporting procedures to ensure improved data reliability in coming years.

ENERGY CONSUMPTION. The reported energy consumption for 2009 was 49.2 GWh corresponding to an increase of about 6% compared to 2008 when corrected for the new locations reporting for the first time (representing about 2 GWh). The observed increase was primarily caused by a 7% increase in the energy consumption at the DNV headquarters in Høvik (from 31 to 33 GWh). Four offices and two VPS laboratories reduced their energy consumption compared to 2008. These reductions ranged from about 1% to 16%. The specific energy consumption in the office locations continued to decrease to 9.8 MWh/person in 2009 from 10.0 MWh/person in 2008 (-2%).

FIGURE 05 REPORTED ENERGY CONSUMPTION

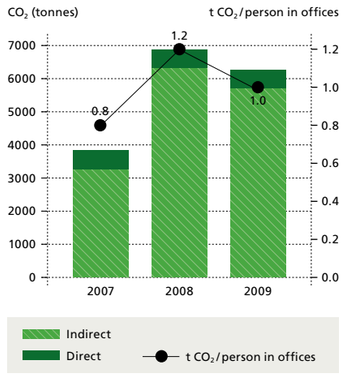


The share of renewable energy increased to about 71% in 2009 from 68% in 2008 and hydropower continues to be the dominant source of renewable energy. However, the amount of energy consumed from other renewable sources increased by about 12% compared to 2008.

NOTABLE MEASURES. In Buenos Aires, timers were installed to reduce the energy consumed for lighting. By turning off lights after office hours and in restrooms when unoccupied, the consumption of electricity was reduced by about 14%. In Milan, a contract that will ensure the sourcing of 100% renewable energy will be signed in 2010. In Rotterdam, the number of printers and fax machines was reduced and a switch to energy saving bulbs was made. In 2010 a contract for 100% renewable energy will be signed.

EMISSIONS TO AIR. The emissions to air are calculated from the reported consumption of energy from the office locations and VPS laboratories. The emissions of greenhouse gases (GHG) have been calculated in accordance with the guidance given in the Greenhouse gas protocol. Due to the lack of regional and source specific emission factors, the emissions of nitrogen oxides (NO_x) and sulphur oxides (SO_x) have been estimated at a high level only. The emissions of CO2 at the reporting locations in 2009 was approximately 6.279 tonnes, a decrease of about 8% compared to 2008. For the office locations, the specific emission was reduced from about 1.2 tonnes CO_2 per person in 2008 to 1.0 tonnes CO_2 per person in 2009 (-17%). The main cause of this reduction is the reduced energy consumption in countries with emission intensive electricity production, like China, Singapore and the USA. Correspondingly, the increase in energy consumption at the Høvik office had little impact on the total emissions to air due to the low emission intensity of Norwegian electricity production, which is primarily based on hydropower (> 95%).

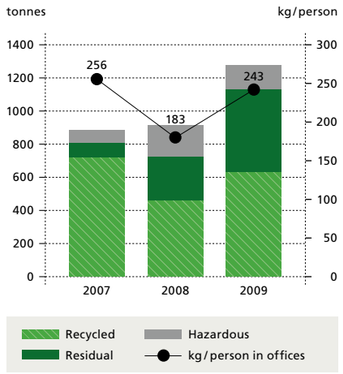
FIGURE 06 REPORTED CO_2 EMISSIONS



The estimated emissions of NO_x and SO_x increased by 8% and 9% respectively when compared to 2008. This increase was caused by more extensive use of oil and gas for heating purposes at some office locations in 2009. At Høvik, the consumption of heating oil increased by nearly 54%, whereas the consumption of gas at Rotterdam and Sopot increased by about 12%.

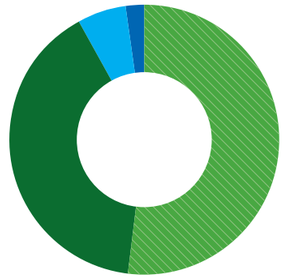
WASTE. The amount of waste generated at the reporting locations in 2009 was approximately 1,268 tonnes, corresponding to an increase of about 39% compared to 2008 when corrected for the new locations reporting for the first time (about 10 tonnes). For the office locations, the specific waste generation increased from about 183 kg per person in 2008 to 243 kg person in 2009 (33%). A significant part of this increase is due to the ongoing refurbishment of the DNV headquarters in Høvik. At this location the amount of waste generated in 2009 increased by approximately 300 tons (54%) compared to 2008. Six offices and three VPS laboratories reduced their waste generation compared to 2008. In Rotterdam, office waste was reduced by 30% by creating awareness, switching to double-sided printing as the default and encouraging suppliers to remove packaging.

FIGURE 07 REPORTED WASTE GENERATION



The amount of hazardous waste generated by the VPS laboratories was reduced by about 4% from 130 tonnes in 2008 to 125 tonnes in 2009. Waste chemicals and oils account for approximately 96% of the hazardous waste generated at DNV locations in 2009.

FIGURE 08 HAZARDOUS WASTE IN VPS LABORATORIES



Delivered to licensed contractors:	
- Chemicals	52%
- Waste oil	40%
- Other	6%
Incinerated on-site:	
- Waste oil	2%

THE HOUSTON AND BEIJING OFFICES' LEED PROJECTS. The Houston and Beijing offices have both launched LEED projects aimed at taking environmentally friendly approaches to building construction and use. The facilities are in the process of being Gold Certified which is the next to highest certification from Leadership in Energy and Environmental Design (LEED) – a voluntary certification programme promoting a whole-building approach to sustainability by focusing on a number of key areas. These include water energy and resource efficiency, indoor environmental quality, location and linkages, regional priority and innovation in design.

In 2009, the Houston office moved to a new facility in Katy, Texas, that is designed to reduce energy consumption, lower energy costs, reduce solid waste and minimise harmful pollutants released to the atmosphere. Ten months later, the Houston facility achieved a 23% reduction in kwh per employee. Domestic water usage fell by 58% due to improved internal plumbing. CO_2 emissions have been reduced by 20% by utilising building materials obtained within 500 miles of the site. Solid waste was reduced by 20% using recycled base material and 75% of the construction waste material was recycled. In addition, disposable cups and utensils have been replaced by bio-degradable 'Eco-Ware'; 100% of the copier and printer paper is produced from recycled materials; paper consumption has been reduced by over 60%; site irrigation uses drip technology; and a Nu-ride programme for over 56 members reduces commuting pollutants by over 7.57 tonnes.

The Beijing office focuses on a range of initiatives, including the use of natural light to decrease the use of electrical lighting as well as plants and CO_2 measurement as a tool to improve indoor air quality. In addition, bamboo and re-used bricks were used in building construction to promote sustainability. Both the Houston and Beijing projects will serve as models for DNV in considering LEED-certified buildings when renewing leases – or for pressing landlords to improve the environmental profile of their properties.

BENELUX 'GREEN MOBILITY PROJECT.' In 2008, the Benelux offices replaced the traditional car lease policy with a 'Green mobility policy' that encourages the use of public transport, provides only company cars with below average emissions, and also gives employees incentives for selecting the lowest emissions category cars. The Benelux employees have enthusiastically supported the project. At the end of 2009, the average CO_2 emissions per company car had been reduced by 8% over the 18 months since the policy was implemented. This is a further decrease from an annual reduction of 6% at the end of 2008. In addition, the overall CO_2 emissions from business travel have been reduced by 9% despite an increase in travel due to business growth. This is a further drop from a 1% reduction the year before. Following the full replacement of the company fleet by the end of 2012, the CO_2 emissions reduction in the Benelux region is projected to be nearly 30%.

REDUCED CARBON FOOTPRINT IN BUSINESS ASSURANCE. The Business Assurance business area, comprising approximately 1,700 employees, launched a project in June 2009 to reduce both carbon emissions and travel time. The programme, called 'Yes we can – reduce our carbon footprint through web conferencing', encourages employees to help monitor the positive effects of web conferencing using a PC-based programme that has been distributed to all employee workstations. From the start of the project in mid-June until the end of the year, Business Assurance reduced its CO_2 emissions by over 113 tonnes and saved more than NOK 4.2 million in travel-related costs, as well as costs related to the use of employee time. Additional benefits of the programme include reduced stress for frequent travellers and improved collaboration and information sharing between distant colleagues.

FUJAIRAH RECYCLING CENTRE. The DNV Petroleum Services Laboratory in Fujairah, UAE was faced with the major challenge of how to introduce a recycling programme as there were no such facilities in the vicinity. They addressed the problem by installing one themselves. The Fujairah Recycling Centre facilitates the segregation of waste into paper, cans and plastic, which are then collected, weighed and sent for recycling. It established new facilities for chemicals storage and waste handling to support environmental protection and improved safety. The storage area for waste oil has been redesigned to ensure the handling of any spill or leaks. In addition, the centre allows employees to bring waste from home to the office for recycling – an initiative that received positive coverage in the local media.

WE DO – A GREEN BONUS FOR EMPLOYEES. 'WE do' is an environmental project in DNV that helps people working in the organisation to limit their personal environmental footprint. Aiming to help motivate employees to act in more environmentally friendly ways in their daily lives, the company has allocated NOK 40 million to partially finance personal environmental actions. The programme provides financial support (up to 2/3 of the cost, before taxes) for employees investing in personal environmental projects such as improved insulation for their home or public transportation passes. In one of the projects employees were encouraged to cycle to work. Those cycling a certain distance (800 km) or certain number of days (minimum 40) between their home and the office were eligible to receive this green bonus. The results speak for themselves: DNV employees have cycled almost 2 million kilometres in 2009. Over 700 cyclists (approximately 7% of all employees) have cycled 800 km or more. Assuming that cyclists have switched from using their cars to cycling, approximately 77,000 litres of petrol have been saved, with a reduction in CO_2 emissions of 175 tonnes. In addition to cycling – which was the second most popular project under WE do in 2009 – almost 1,600 employees have applied for support for low energy appliances.

GREEN BUSINESS AWARD 2009. In competition with BBC Worldwide, Camco, and Chess Telecom, DNV was given a Green Business Award 2009. The 'Green Globes' recognise the most innovative, ambitious and effective initiatives by UK business for achieving environmental sustainability and implementing smart business practice.

DNV UK won the HR & Employee Engagement category after being assessed on the following criteria:

- Harnessing the staff benefits system to enable low-carbon behaviours (e.g. cycle-to-work schemes, car sharing, awards, financing, etc.)
- Work with senior management to ensure that the company's performance management incentive system rewards progress towards low carbon targets
- Raising awareness about climate change through training and by engaging employees in internal and external climate change related activities (i.e. lunch time speakers, community projects, etc.)

TABLE 03 ENVIRONMENTAL IMPACT OF OUR SERVICES

The positive impact we have on the environment through the services we deliver to our customers is estimated to be far bigger than the negative impact of our operations.

Below are selected indicators that reflect the positive performance of our services against significant environmental risks and issues of global concern.

→ Values 2009 and changes (2008-2009)

SERVICES TO THE MARITIME INDUSTRY

→ Emergency Response Service for assistance on the stability and residual strength of vessels in an emergency
→ 1830 vessels subscribe to the service (up 8%) 15 emergency cases: groundings (10), collisions (2), water ingress (1), fires (2)

→ Class notation that reduces the environmental impact from ships due to air emissions and sea discharges
→ 1058 vessels are classed with DNV's VOC (Volatile Organic Compound) notation (up 60%). 466 vessels had a DNV CLEAN notation and 58 had a CLEAN DESIGN notation

→ Use of cleaner fuel
→ 24 vessels in DNV Class are LNG fuelled (down 35%)

SERVICES TO THE ENERGY INDUSTRY

→ Carbon capture and storage (CCS) projects and renewable energy projects, notably wind energy, involving DNV
→ By the end of 2009, DNV had worked on CCS and renewable energy projects that potentially contributes to an annual 53 Mega Tonne reduction in CO_2 emissions (own estimate)

SERVICES TO THE CARBON MARKET

→ DNV verified CDM projects and their CO_2 reductions (1 CER is equal to one tonne of CO_2 equivalent)
→ By the year end, DNV had verified projects with 113 million Certified Emission Reductions (CERs), which is 29% of the total CDM verification market

→ DNV validated CDM projects and their CO_2 reductions
→ By the year-end, DNV had validated projects with 200 million CERs (52% of the total)

The measures of staying safe

Our surveyors, inspectors and auditors sometimes face tough conditions when working in the field. Compromising on safety is not an option. We continued to focus on training and development of new training programmes in 2009 as a means to better manage the health and safety of our own employees.

HEALTH AND SAFETY

SAFETY AND HEALTH REPORTS. There were 498 work-related incidents and hazards reported in DNV in 2009. 28% of the reported incidents and hazards were assessed as having a high or medium loss potential. More than half of the medium and high loss potential incidents and hazards are related to surveys and inspections and more than one fifth are related to transport and travelling.

Knowledge gained from our incident and hazard reporting system is shared throughout DNV by way of an Incident and Hazard Experience online database. This experience database, which contains de-personalised information about serious incidents and hazards and the preventative/corrective actions taken, is available to all employees. In addition, a monthly report containing a selection of the most significant incidents is sent to all Country SHE Coordinators for use in presentations and unit meetings to address health and safety amongst employees.

The number of incident reports per million hours worked varies for the different regions. To some extent, these differences are assumed to reflect differences in reporting culture. (Figure 9).

We continued during the year to implement processes, activities and training to be able to meet the requirements of the internationally accepted standard for occupational health and safety management – OHSAS 18001. The goal is to be certified to that standard within the first half of 2011.

ACCIDENTS AND OCCUPATIONAL HEALTH ISSUES. Almost half of the 125 accidents were caused by employees slipping, tripping or falling, and more than one quarter were caused by employees hitting or being struck by objects.

More than half of the 36 occupational health issues reported were caused by overstrain, exertion or repetitive strain, and another quarter were caused by exposure to noise, extreme temperatures or inadequate air quality.

Figures 10 and 11 show how accidents and occupational health issues are distributed among work processes.

LOST TIME ACCIDENTS AND OCCUPATIONAL HEALTH ISSUES. 37% of the absence hours off caused by work-related accidents were due to broken or fractured bones, 25% to contusion, and 15% to muscular sprains. The number of lost time accidents per million worked hours (LTA) has increased by 19%, and the number of days off due to lost time accidents per million worked hours (SAI) has increased by 13.5%. These increases are partly a result of improved reporting. Around half of the hours off due to accidents are related to surveys and laboratory work. However, several high absence accidents are due to slips, trips and falls which have happened during local and international business travels.

44% of the absence hours off caused by occupational health issues were due to muscular sprains/strains, 21% to stress and 16% to heat stress. The number of hours off due to occupational health issues per million hours has improved from 5.1 in 2008 to 4.7 in 2009.

The types of accidents and occupational health issues involving an absence of more than 8 hours per work processes are shown in Table 5.

SICKNESS ABSENCE. The sickness absence rate has increased from 1.9 in 2008 to 2.1 in 2009 but is still considered to be acceptable.

TABLE 04 SAFETY AND HEALTH INCIDENTS STATISTICS (FOR ALL OF DNV)

	2005	2006	2007	2008	2009
Fatal accidents	0	0	1	1	0
Lost time accidents	27	32	41	34	43
Injury accidents	48	61	66	85	82
Occupational health issues, with absence	10	10	14	13	15
Near accidents	104	107	93	137	175
LTA	2.3	2.8	3.1	2.1	2.5
SAI	32.8	24.3	50.8	23.0	26.1
IAF	4.2	5.3	4.9	5.2	4.8
Accident absence rate (%)	0.03	0.02	0.04	0.02	0.02
Total Sickness Absence Rate (%)	**2.3**	**2.0**	**2.0**	**1.9**	**2.1**

Definition of terms used in the statistics:

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

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

Occupational health issue:
Work environment conditions (including psychosocial work environment and musculo-skeletal load) exposure to which over a period of time results in illness to people, or a work activity resulting in illness to people.

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

SAI (Severity Accident Index):
No of days absence due to Lost Time Accidents / million worked hrs

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

Accident absence rate (%):
(Accident absence / number of worked hrs) *100

Total Sickness Absence Rate (%):
((Accident+Sickness absence) / Number of worked hrs) *100

PANDEMIC PREPAREDNESS. On 11 June, the World Health Organisation raised its alert to level 6, stating the world was at the start of an influenza pandemic. In such a situation, understanding the prevention and control of infection is essential for the well-being and safety of the staff, family and community. Fortunately, through our BioRisk services, we have expertise and experience in the area of infection control and biorisk management. With this background, a Pandemic Preparedness Plan that is applicable to all parts of DNV was developed. The plan focuses on ensuring clear communication with staff, reducing the chances that employees become infected and also reducing the chances of all employees and mission-critical staff becoming infected at the same time. An Influenza A (H1N1) intranet page was established and updated with recommendations and requirements as the pandemic developed and better knowledge about this particular influenza was obtained. Additionally, biorisk specialists offered Practical Infection Control in the Workplace presentations through Office Live Meetings to units around the world.

Norwegian operations reported that short-term sick leave in August-November was between 0.5 and 1.1% higher than in the same period in the four previous years. During the same period, 77 employees reported symptoms of the new Influenza A (H1N1) to the Company Health Service in Norway. Most of the other countries reported that the impact from the new A (H1N1) influenza was insignificant with very few cases of illness, as opposed to what had been predicted.

SAFETY AND HEALTH TRAINING. Incident and hazard reporting and risk assessments form the basis for focusing the safety and health training. A basic safety and health e-learning course module for all employees was developed and published in 2009. As a safety induction, all newly employed surveyors in 2009 attended a tailor-made course for DNV surveyors. The two-and-a–half-day course consists of half a day of theoretical introduction followed by two days of practical training at a specialised training centre. The practical safety training for new employees takes place at established training centres in Korea, Norway and three locations in China. We are also looking at potential training centres in other regions to provide the training for experienced surveyors on a more local basis.

Refreshment training for experienced surveyors consists of a half-day e-learning SHE induction, followed by one and a half days of practical safety training at a professional training centre. Due to too high mortality rate in confined space activities experienced in the maritime industry, the focus on confined spaces has been intensified and a new training module was developed and rolled out for our surveyors. Modules were also developed for working at heights, transfer at sea and other high risk operations.

FIGURE 09 NUMBER OF INCIDENTS PER REGION / MILLION HOURS WORKED

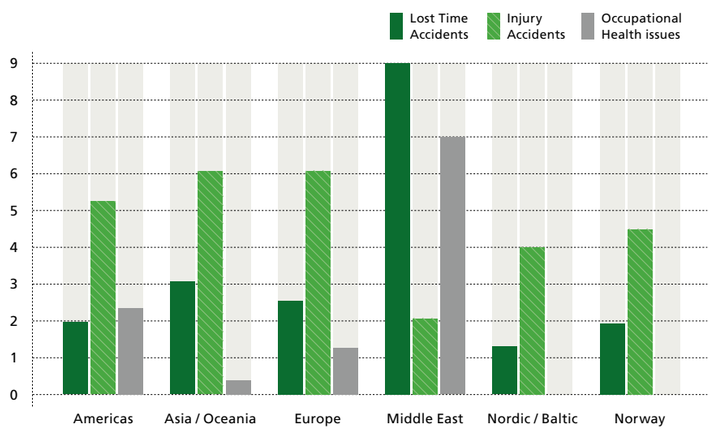
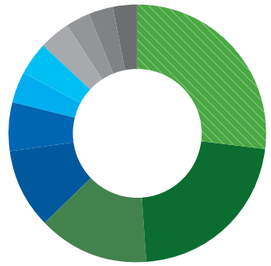
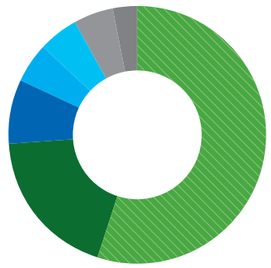


FIGURE 10 ACCIDENTS DISTRIBUTED ON WORK PROCESSES



Inspections	27%
Transport / travelling	22%
Office work	14%
Walking	10%
Lab work	6%
Confined spaces	4%
Transfers	4%
Working at heights	4%
Overnight stay	3%
Teambuilding	3%
Other	3%

FIGURE 11 OCCUPATIONAL HEALTH ISSUES DISTRIBUTED ON WORK PROCESSES



Office work	55%
Inspections	19%
Overnight stays	8%
Transport / travelling	5%
Lab work	5%
Teambuilding	5%
Maintenance (build/ground/off)	3%

TRAVEL SAFETY. Visits to customer sites and offices are an important part of the execution of our services and sometimes require travel to challenging destinations. The principles for the assessment and approval of business travels to high risk areas have been improved. A safety training course focusing on travelling to geographical areas suffering from terrorist threats, high crime rates, serious epidemics or natural disasters was held at the Høvik office in 2009. As car driving is seen as one of the significant risks faced by our employees, defensive driver training is being implemented in large parts of the organisation.

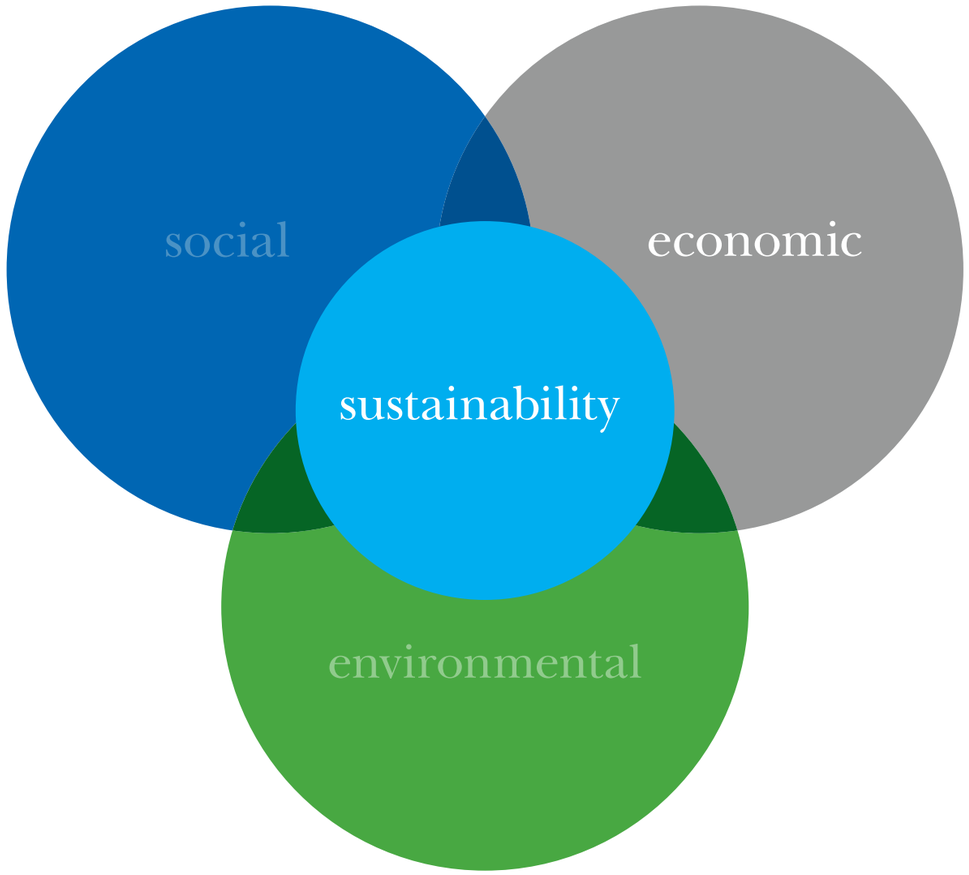
SAFETY PROGRAMMES IN CHINA. The Chinese shipbuilding industry has experienced very aggressive growth in recent years. In 2009, our regional management team in Greater China decided to repeat its programme of visiting and evaluating safety conditions at all shipyards in China where DNV has operations. The initial programme, which ran from September 2007 to February 2008, aimed to increase the focus on safety at production sites. A total of 29 site tours were held during the seven-month period to assess local conditions and discuss daily challenges with surveyors at the sites. Together, surveyors and evaluators identified the main hazards at each site and agreed on corrective or preventative actions for implementation. Specific activities included (1) supplying standard Personal Protective Equipment (PPE) to all DNV operations, (2) providing training in 'confined spaces' and 'working at heights' for all surveyors in China, (3) establishing positive cooperation with yard management on safety and health matters, and (4) improving incident and hazard reporting with a focus on corrective action implementation.

During the course of the year, the programme was implemented in all districts in China. In addition, over 20 operation sites were revisited during the year in order to support local management in implementing defined actions. The motivation for resuming the project is strong: following the implementation of the initial programme in 2007, the number of injuries has been reduced by over 30%, and incident and hazard reports increased by 28%.

TABLE 05 TYPE OF ACCIDENTS AND OCCUPATIONAL HEALTH ISSUES WITH ABSENCE ≥ 8 HOURS PER WORK PROCESSES

Type of accidents	Confined spaces	Inspections	Lab work	Office work	Other	Overnight stay	Teambuilding	Transfers	Transport/travelling	Walking	Working at height	**Grand total**
Conflicts				1								**1**
Contaminated food						1						**1**
Squeezed / trapped / nipped				1	1							**2**
Unacceptable Workload Level									1			**1**
Unclear responsibilities				1								**1**
Slips / trips / falls	2	8			1	2			2	3	1	**19**
Other		1		1				1	1			**4**
Hit against / struck by	1	2		2			2	1	9	1		**18**
Caught up in (e.g. machinery)			2									**2**
Exertion / repetitive strain		1	1	3			2					**7**
Heat exhaustion		2										**2**
Grand total	**3**	**14**	**3**	**9**	**2**	**3**	**4**	**2**	**13**	**4**	**1**	**58**

Our means of making a difference in how we manage our financial performance



Key figures

AMOUNTS IN NOK MILLION

	2009	2008	2007	2006	2005
INCOME STATEMENT					
Operating revenue	10 283	9 560	8 126	7 297	6 683
Depreciation	235	189	166	140	136
Operating profit	1 108	1 188	873	794	750
Net financial income (expenses)	129	(82)	(1)	31	49
Profit before tax	1 237	1 106	872	826	799
Profit for the year	854	642	536	546	528
BALANCE SHEET					
Fixed assets	2 300	2 467	2 120	2 027	2 026
Current assets	5 903	6 015	4 803	4 362	3 435
Total assets	8 203	8 482	6 922	6 389	5 461
Equity	5 528	4 545	4 492	3 895	3 239
Provisions and long-term liabilities	523	919	409	536	634
Current liabilities	2 152	3 018	2 021	1 958	1 588
Cash flow items, working					
capital and investments:					
Purchase of tangible fixed assets	234	234	176	112	139
Working capital	3 751	2 997	2 781	2 403	1 847
Cash flow	1 186	803	749	710	678
Number of employees	8 866	8 694	7 691	6 765	6 095
FINANCIAL RATIOS					
Profitability:					
Operating margin	10.8%	12.4%	10.7%	10.9%	11.2%
Pre tax profit margin	12.0%	11.6%	10.7%	11.3%	12.0%
Net profit margin	8.3%	6.7%	6.6%	7.5%	7.9%
Return on total assets	15.9%	14.4%	14.4%	15.3%	16.4%
Return on equity	24.6%	20.8%	20.8%	23.1%	26.9%
Liquidity:					
Current ratio	2.7	2.0	2.4	2.2	2.2
Liquidity reserves	2 870	2 118	2 201	2 031	1 510
Liquidity cover	32.1%	25.9%	31.1%	31.9%	26.0%
Leverage:					
Equity ratio	67.4%	53.6%	64.9%	61.0%	59.3%

Definition of ratios

Profitability

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

Return on total assets:
(Operating profit + Financial income) x 100/ Average total assets

Return on equity:
Profit before tax x 100 / Average equity

Liquidity

Cash flow:
Profit before tax
+ Depreciation
- Taxes payable

Current ratio:
Current assets / Current liabilities

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

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

Leverage

Equity ratio:
Equity x 100 / Total assets

Income statement

STIFTELSEN DET NORSKE VERITAS			1 JANUARY - 31 DECEMBER AMOUNTS IN NOK MILLION		DET NORSKE VERITAS GROUP		
2009	2008	2007		NOTE	2009	2008	2007
			OPERATING REVENUE				
1.2	0.0	0.4	Sales revenue		10 283.1	9 560.3	8 125.6
1.2	0.0	0.4	**Total operating revenue**	3	10 283.1	9 560.3	8 125.6
			OPERATING EXPENSES				
0.0	0.0	0.0	Payroll expenses	4,6,7	5 632.1	4 986.6	4 385.0
0.0	0.0	0.0	Depreciation	13,14,16	214.8	176.3	150.4
0.0	0.0	0.0	Write down of goodwill	13	19.9	12.2	15.8
0.0	0.0	0.0	Other operating expenses	5	3 308.1	3 196.8	2 701.6
1.2	0.0	0.4	**Operating profit**		1 108.2	1 188.2	872.8
			FINANCIAL INCOME AND EXPENSES				
128.7	(76.2)	508.5	Financial income		215.7	(93.5)	86.1
(0.8)	0.5	(0.8)	Financial expenses		(86.5)	11.6	(87.1)
127.9	(75.7)	507.7	Net financial income (expenses)	9	129.2	(81.9)	(1.0)
129.1	(75.7)	508.1	**Profit before tax**		1 237.4	1 106.3	871.8
(24.3)	(27.2)	(14.1)	Tax expense	11	(383.2)	(464.7)	(335.6)
104.8	(102.9)	494.0	**Profit (loss) for the year**		854.2	641.6	536.2
104.8	(102.9)	494.0	Transferred to other equity				

Balance sheet

STIFTELSEN DET NORSKE VERITAS 2009	STIFTELSEN DET NORSKE VERITAS 2008	STIFTELSEN DET NORSKE VERITAS 2007	AS PER 31 DECEMBER AMOUNTS IN NOK MILLION	NOTE	DET NORSKE VERITAS GROUP 2009	DET NORSKE VERITAS GROUP 2008	DET NORSKE VERITAS GROUP 2007
			ASSETS				
			FIXED ASSETS				
			Intangible fixed assets				
0.0	0.0	0.4	Deferred tax assets	11	283.1	486.8	130.4
0.0	0.0	0.0	Goodwill	13	120.0	215.4	104.6
0.0	0.0	0.0	Other intangible assets	14	18.9	29.7	8.3
0.0	0.0	0.4	Total intangible fixed assets		422.0	731.9	243.3
			Tangible fixed assets				
6.4	6.4	6.5	Land, buildings and other property		1 118.4	942.3	901.7
0.0	0.0	0.0	Office equipment, fixtures and fittings		357.1	378.9	277.3
6.4	6.4	6.5	Total tangible fixed assets	16	1 475.5	1 321.2	1 179.0
			Financial fixed assets				
10.1	240.0	240.0	Investments in subsidiaries	2	0.0	0.0	0.0
0.0	0.0	0.0	Investments in associates	15	0.0	59.9	43.7
0.3	0.3	1.4	Long-term shareholdings	17	25.5	22.6	15.3
0.0	0.0	0.0	Prepaid pension	7	0.0	0.0	372.9
0.3	0.3	0.2	Other long-term receivables	19	376.9	331.4	265.3
10.8	240.6	241.6	Total financial fixed assets		402.4	413.9	697.2
17.2	247.1	248.5	**Total fixed assets**		2 299.9	2 467.0	2 119.5
			CURRENT ASSETS				
			Debtors				
0.0	0.0	0.0	Trade debtors		2 004.5	2 567.6	1 718.6
0.0	0.0	0.0	Work in progress		716.6	1 011.5	660.4
0.0	0.0	0.0	Other debtors		314.4	317.2	217.4
0.0	0.0	0.0	Total debtors		3 035.5	3 896.2	2 596.4
712.2	834.2	938.6	Short-term financial investments	8	712.2	1 134.4	1 528.7
458.7	21.2	1.5	Cash and bank deposits	20	2 155.0	984.0	677.5
1 170.9	855.4	940.1	**Total current assets**		5 902.7	6 014.6	4 802.6
1 188.1	1 102.4	1 188.6	**TOTAL ASSETS**		8 202.6	8 481.6	6 922.1

STIFTELSEN DET NORSKE VERITAS 2009	STIFTELSEN DET NORSKE VERITAS 2008	STIFTELSEN DET NORSKE VERITAS 2007	AS PER 31 DECEMBER AMOUNTS IN NOK MILLION	NOTE	DET NORSKE VERITAS GROUP 2009	DET NORSKE VERITAS GROUP 2008	DET NORSKE VERITAS GROUP 2007
			EQUITY AND LIABILITIES				
			EQUITY				
			Paid-in capital				
283.5	283.5	283.5	Foundation capital		283.5	283.5	283.5
			Retained earnings				
876.9	772.1	875.0	Other equity		5 244.3	4 261.7	4 208.5
1 160.4	1 055.6	1 158.5	**Total equity**	22	5 527.8	4 545.2	4 492.0
			LIABILITIES				
			Provisions				
0.0	0.0	0.0	Pension liabilities	7	367.2	722.8	233.9
0.3	0.0	0.0	Deferred tax	11	11.6	15.7	21.1
0.0	17.0	17.0	Other provisions		144.5	180.2	153.9
0.3	17.0	17.0	Total provisions		523.3	918.7	408.9
			Current liabilities				
0.0	0.0	0.0	Overdrafts		0.2	0.0	5.6
0.0	0.0	0.0	Trade creditors		259.7	257.9	221.6
27.3	26.7	11.1	Tax payable		244.0	429.4	285.8
0.1	0.0	0.0	Public duties payable		259.3	313.7	246.3
0.0	3.2	2.0	Other short-term liabilities	18	1 388.3	2 016.8	1 261.9
27.4	29.8	13.1	Total current liabilities		2 151.5	3 017.7	2 021.2
27.7	46.8	30.1	**Total liabilities**		2 674.8	3 936.4	2 430.1
1188.1	1 102.4	1 188.6	**TOTAL EQUITY AND LIABILITIES**		8 202.6	8 481.6	6 922.1

The Board of Directors of Stiftelsen Det Norske Veritas,
Høvik, 21 April 2010

Atle Bergshaven
Chairman

C. Maury Devine

Thomas Rehder

Sille Grjotheim

Hilde M. Tonne

Frances Morris-Jones

Yan Ma

Christine Maidment

Odd Sund

John H. Wiik

Henrik O. Madsen
CEO

Cash flow statement

STIFTELSEN DET NORSKE VERITAS 2009	STIFTELSEN DET NORSKE VERITAS 2008	STIFTELSEN DET NORSKE VERITAS 2007	1 JANUARY - 31 DECEMBER AMOUNTS IN NOK MILLION	DET NORSKE VERITAS GROUP 2009	DET NORSKE VERITAS GROUP 2008	DET NORSKE VERITAS GROUP 2007
			CASH FLOW FROM OPERATIONS			
129.1	(75.7)	508.1	Profit before tax	1 237.4	1 106.3	871.8
(1.2)	0.0	(0.4)	Gain/loss on disposal of tangible fixed assets	(0.9)	(1.3)	(0.4)
0.0	0.0	0.0	Gain on sale of investment in associates	(40.0)	0.0	0.0
0.0	0.0	0.0	Depreciations and writedown	234.7	188.6	166.2
(24.0)	(26.7)	(11.1)	Tax payable	(321.3)	(492.2)	(289.1)
			Change in work in progress,			
0.0	0.0	0.0	trade debtors and trade creditors	862.4	(1 163.8)	(264.7)
(19.6)	16.5	2.1	Change in other accruals	(1 036.1)	800.0	(146.0)
84.3	(85.9)	498.7	**Net cash flow from operations**	936.2	437.6	337.8
			CASH FLOW FROM INVESTMENTS			
0.0	0.0	0.0	Acquisitions	(19.0)	(228.4)	(8.5)
0.0	0.0	0.0	Divestments	106.5	0.0	0.0
0.0	0.0	0.0	Investments in tangible fixed assets	(349.2)	(234.1)	(176.1)
1.2	0.0	0.7	Sale of tangible fixed assets (sales value)	13.0	16.3	9.9
			Currency effects on tangible and			
0.0	0.0	0.0	intangible fixed assets	70.8	(50.2)	26.6
230.0	1.2	0.0	Change in other investments	(9.6)	(23.5)	(15.2)
231.2	1.2	0.7	**Net cash flow from investments**	(187.5)	(519.9)	(163.3)
			CASH FLOW FROM CAPITAL TRANSACTIONS			
0.0	0.0	0.0	Change in overdrafts	0.2	(5.6)	1.1
0.0	0.0	0.0	**Net cash flow from capital transactions**	0.2	(5.6)	1.1
			LIQUIDITY			
84.3	(85.9)	498.7	Net cash flow from operations	936.2	437.6	337.8
231.2	1.2	0.7	Net cash flow from investments	(187.5)	(519.9)	(163.3)
0.0	0.0	0.0	Net cash flow from capital transactions	0.2	(5.6)	1.1
315.5	(84.7)	499.4	**Net change in liquidity during the year**	748.9	(87.9)	175.6
855.4	940.1	440.7	Liquidity at 1 January	2 118.3	2 206.2	2 030.6
1 170.9	855.4	940.1	**Liquidity at 31 December**	2 867.2	2 118.3	2 206.2

Notes

ALL AMOUNTS IN NOK MILLION

01 ACCOUNTING PRINCIPLES

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

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

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

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

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

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

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

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

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

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

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

USE OF ESTIMATES. The management has used estimates and assumptions that have affected assets, liabilities, incomes, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Norway.

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

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

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

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

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

DEBTORS. Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is made to cover expected losses.

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

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

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

FINANCIAL INVESTMENTS. Financial investments not regarded as long-term are classified as current assets in the balance sheet. These short-term financial investments are valued at market value at the balance sheet date based on a portfolio assessment. Dividends and other distributions are recognised as other financial income.

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

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

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

Internally generated intangible assets are not capitalised but are expensed as occurred.

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

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

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

Goodwill is recognised at cost in the balance sheet, minus any accumulated depreciation. Goodwill is amortised linearly through the income statement over its expected useful economic life.

RESEARCH AND DEVELOPMENT. Research and development costs are expensed when incurred.

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

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

PROVISIONS. A provision is recognised when the Group has an obligation (legal or self-imposed) as a result of a previous event, it is probable (more likely than not) that a financial settlement will take place as a result of this obligation and the size of the amount can be measured reliably.

If the effect is considerable, the provision is calculated by discounting estimated future cash flows using a discount rate before tax that reflects the market's pricing of the time value of money and, if relevant, risks specifically linked to the obligation.

If Det Norske Veritas Group is involved in litigation, and a claim has been made, then provisions for these claims are made in the accounts based on a best estimate of the validity and amount of the claim.

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

02 SUBSIDIARIES OF STIFTELSEN DET NORSKE VERITAS

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

COMPANY	BUSINESS OFFICE	SHARE CAPITAL	OWNER-SHIP	BOOK VALUE
Det Norske Veritas Holding AS	Bærum	10.1	100%	10.1

Det Norske Veritas Holding AS owns two subsidiaries 100%, Det Norske Veritas AS and Det Norske Veritas Eiendom AS. Det Norske Veritas AS has 102 subsidiaries. With the exception of some financial transactions, Det Norske Veritas operates through Det Norske Veritas Holding AS and its subsidiaries around the world.

03 OPERATING REVENUE

	DET NORSKE VERITAS – GROUP		
	2009	2008	2007
BUSINESS AREA			
Maritime	4 549.0	4 404.0	3 686.5
Energy	3 026.0	2 567.0	2 045.8
Business Assurance	2 165.6	2 048.0	1 908.9
IT Global Services	239.0	289.0	264.0
Other	303.4	252.3	220.4
Total operating revenue	10 283.1	9 560.3	8 125.6
GEOGRAPHICAL AREA			
Nordic countries	3 640.8	3 513.8	2 900.6
Europe and Africa	2 490.5	2 325.3	2 191.6
Asia / Pacific	2 708.9	2 549.0	2 066.9
North and South America	1 442.9	1 172.1	966.5
Total operating revenue	10 283.1	9 560.3	8 125.6

04 PAYROLL EXPENSES

STIFTELSEN DET NORSKE VERITAS				DET NORSKE VERITAS – GROUP		
2009	2008	2007		2009	2008	2007
0.0	0.0	0.0	Salaries	4 289.9	3 858.3	3 276.1
0.0	0.0	0.0	Payroll tax	586.7	550.1	472.7
0.0	0.0	0.0	Pension costs	412.9	279.7	316.6
0.0	0.0	0.0	Other contributions	342.6	298.5	319.6
0.0	0.0	0.0	**Total payroll expenses**	5 632.1	4 986.6	4 385.0
0.0	0.0	0.0	Man years	8 737	8 557	7 085
0.0	0.0	0.0	Total incentive pay	0.0	86.7	146.0

05 OTHER OPERATING EXPENSES

STIFTELSEN DET NORSKE VERITAS				DET NORSKE VERITAS – GROUP		
2009	2008	2007		2009	2008	2007
0.0	0.0	0.0	Travel expenses	668.7	730.6	640.0
0.0	0.0	0.0	Hired assistance	539.3	547.6	465.5
0.0	0.0	0.0	ICT and communication expenses	371.9	306.8	243.3
0.0	0.0	0.0	Loss on claim	60.9	48.6	5.6
0.0	0.0	0.0	Other expenses	1 667.3	1 563.1	1 347.2
0.0	0.0	0.0	**Total other operating expenses**	3 308.1	3 196.8	2 701.6

06 REMUNERATION AND LOANS TO PRESIDENT & CEO, EXECUTIVE BOARD, BOARD OF DIRECTORS ETC.

President & Chief Executive Officer Henrik O. Madsen has an annual base salary of NOK 2 488 000, a functional allowance including free housing of NOK 1 402 000 and an incentive scheme with a maximum payment of 10% of his annual base salary. Madsen has a right to retire at 62 years with a yearly pension equal to 66% of his annual base salary at date of retirement.

REMUNERATIONS AND LOANS TO THE EXECUTIVE BOARD FOR 2009

REMUNERATIONS:

NAME	SALARY & FUNCTIONAL ALLOWANCE	OTHER BENEFITS	INCENTIVE PAY[1)]	PENSION BENEFIT EARNED / COST TO DNV
Henrik O. Madsen	4 222 580	403 598	108 217	1 555 568
Tor E. Svensen	2 984 859	173 996	80 479	924 321
Remi Eriksen	1 870 253	155 433	93 534	348 664
Bjørn K. Haugland	1 552 675	173 827	24 246[2)]	296 965
Annie Combelles	2 539 669	147 650	99 180	369 196
Jostein Furnes	2 097 760	197 148	96 869	528 432
Cecilie B. Heuch	1 557 380	149 138	70 853	53 630

1) earned in 2008, paid in 2009 2) covers the period August - December 2008

LOANS AT 31 DEC. 2009:

NAME	LOAN AMOUNT	INTEREST RATE	REPAYMENT PERIOD	SECURITY
Henrik O. Madsen	3 144 930	1.0%	Nov. 2028	Mortgage
Tor E. Svensen	597 400	1.0%	Mar. 2028	Mortgage
Remi Eriksen	0			
Bjørn K. Haugland	2 520 000	1.0%	Dec. 2034	Mortgage
Annie Combelles	0			
Jostein Furnes	2 417 306	1.0%	July 2031	Mortgage
Cecilie B. Heuch	0			

REMUNERATIONS TO THE BOARD OF DIRECTORS PAID OUT IN 2009:

NAME	REMUNERATION	COMP. TRAVEL TIME	NAME	REMUNERATION	COMP. TRAVEL TIME
Atle Bergshaven	400 000	0	Thomas Rehder	16 667	0
C. Maury Devine	280 000	195 000	Sille Grjotheim	200 000	0
Mary Grace Anderson	0	0 [3)]	Yan Ma	200 000	0
John H. Wiik	200 000	0	Christine Maidment	116 667	0
Hilde Tonne	200 000	0	Odd Sund	116 667	0
Frances Morris-Jones	116 667	83 333	Audun Brandsæter	100 000	0
Axel C. Eitzen	183 333	0	Niksa Padovan	100 000	0

3) NOK 80 000 has been donated to charity

REMUNERATION TO THE CONTROL COMMITTEE PAID OUT IN 2009:

NAME	REMUNERATION	NAME	REMUNERATION
Erling Øverland	105 000	Georg Scheel	46 700
Herbjørn Hansson	70 000	Per Terje Vold	23 400

FEES TO THE AUDITORS FOR 2009:

NAME	STATUTORY AUDIT	TAX CONSULTING SERVICES	OTHER ATTEST SERVICES	NON-AUDIT SERVICES
Stiftelsen Det Norske Veritas	300 000	0	0	0
Group auditor other Norwegian entities	2 380 000	257 250	636 241	594 462
Group auditor non-Norwegian entities	8 820 000	1 819 504	32 910	157 488
Other auditors	2 989 660	370 610	243 732	1 513 213
Total	14 489 660	2 447 364	912 883	2 265 163

07 PENSION COSTS, PLAN ASSETS AND DEFINED BENEFIT PENSION LIABILITIES

Det Norske Veritas has both defined benefit pension plans and defined contribution pension plans. The defined benefit pension plans are covered through separate pension funds or through arrangements with insurance companies. The employees' future pension benefits are based on the employee's salary level at the time of retirement and on the number of years of membership. The basis for calculating the pension cost and the pension liabilities included in the accounts are shown in this note. Contributions to the Group's pension plans are made in accordance with common actuarial methods in the country where the pension plan is administered. The total pension costs for 2009 are NOK 412.9 million, of which pension costs related to the defined benefit pension plans are NOK 199.8 million and pension costs related to the defined contribution pension plans are NOK 213.1 million.

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

MARKET VALUE OF PLAN ASSETS IN NORWAY

	31 DEC 09	31 DEC 08	31 DEC 07
Buildings and property	221.9	234.5	217.8
Mutual equity funds and hedge funds	1 554.8	884.0	1 206.9
Norwegian bonds and bond funds	226.0	326.7	292.0
Non-Norwegian bonds and bond funds	606.2	228.6	151.1
Money market, bank accounts, other assets and liabilities	1 124.0	1 558.4	1 594.0
Total market value of plan assets	3 732.9	3 232.2	3 461.8
Actual return on plan assets	510.0	(337.3)	161.4

	FUNDED NORWEGIAN DEFINED BENEFIT PENSION PLANS			OTHER DEFINED BENEFIT PENSION PLANS		
	2009	2008	2007	2009	2008	2007
Net present value of this year's pension contribution	142.6	127.8	130.8	40.7	38.9	48.8
Interest expense on pension liabilities	155.5	151.4	134.8	53.0	51.5	49.4
Expected return on plan assets	(161.6)	(190.4)	(165.4)	(49.6)	(49.4)	(41.2)
Payroll tax	19.2	12.5	14.1	0.0	0.0	0.0
Curtailment/pension plan changes	0.0	0.0	0.0	0.0	(0.7)	(2.4)
Net pension cost	155.7	101.4	114.3	44.1	40.4	54.6

PLAN ASSETS AND PENSION LIABILITIES:

Market value of plan assets	3 732.9	3 232.2	3 461.8	1 031.1	963.4	826.0
Actuarial present value of pension liabilities	(3 725.3)	(3 500.1)	(3 071.2)	(1 334.3)	(1 307.7)	(1 059.9)
Payroll tax	(71.6)	(110.5)	(17.7)	0.0	0.0	0.0
Net prepaid pension (liabilities)	(64.0)	(378.5)	372.9	(303.2)	(344.3)	(233.9)
Hereof recorded as plan assets			372.9			
Hereof recorded as pension liabilities	(64.0)	(378.5)		(303.2)	(344.3)	(233.9)

THE FINAL CALCULATION OF THE PENSION LIABILITIES IN NORWAY IS BASED ON THE FOLLOWING ASSUMPTIONS:

	2009	2008	2007
Discount rate	4.5%	4.5%	5.0%
Projected annual salary adjustment	4.0%	4.0%	4.5%
Projected annual increase in pension benefit	2.0%	2.0%	2.5%
Projected annual increase in Norwegian government basis pension	3.0%	3.0%	3.5%
Expected annual return on plan assets	5.0%	5.0%	5.5%

The ordinary retirement age in Det Norske Veritas is 67 years. Some managers and employees are entitled to retire before the age of 67.

08 SHORT-TERM FINANCIAL INVESTMENTS

STIFTELSEN DET NORSKE VERITAS				DET NORSKE VERITAS – GROUP		
PURCHASE PRICE	MARKET VALUE REGULATION	BOOK VALUE		PURCHASE PRICE	MARKET VALUE REGULATION	BOOK VALUE
176.0	0.0	176.0	Money market funds	176.0	0.0	176.0
201.0	2.4	203.4	Bond funds	201.0	2.4	203.4
296.6	36.1	332.7	Equity funds	296.6	36.1	332.7
673.7	38.5	712.2	**Total short-term financial investments**	673.7	38.5	712.2

09 FINANCIAL INCOME AND FINANCIAL EXPENSES

STIFTELSEN DET NORSKE VERITAS				DET NORSKE VERITAS – GROUP		
2009	2008	2007		2009	2008	2007
111.2	(85.6)	8.2	Return on financial investments	111.2	(154.5)	44.8
1.7	0.0	500.0	Dividend from subsidiaries	0.0	0.0	0.0
0.0	0.0	0.0	Profit from investment in associates	6.7	16.2	16.1
0.0	0.0	0.0	Gain from sale of associates	40.0	0.0	0.0
0.1	2.5	0.3	Net interest received from group companies	0.0	0.0	0.0
15.2	(0.1)	0.0	Other interest received	5.4	41.7	23.7
(0.3)	0.0	0.0	Currency gains (losses)	(27.8)	41.7	(46.9)
0.0	7.5	(0.8)	Other financial items	(6.3)	(27.0)	(38.7)
127.9	(75.7)	507.7	**Net financial income (expenses)**	129.2	(81.9)	(1.0)

10 FINANCIAL MARKET RISK

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

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

FOREIGN CURRENCY RISK. The Group has revenues and expenses in approx. 50 currencies. Of these, six currencies (NOK, EUR, USD, CNY, KRW and GBP) make up for approximately 75% of the total revenue. In many currencies DNV has a natural hedge through a balance of revenue and expenses. Major imbalances on the balance sheet are hedged through forward exchange contracts. As part of this hedging, DNV has forward exchange contracts in 23 currencies, totalling a net amount of approx. NOK 1 900 mill. The most important contracts are in USD (62%) and EUR (12%). Unrealised net loss at year end is NOK 32 million.

CREDIT RISK. Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is limited. There are no significant concentrations of credit risk within the Group. With respect to credit risk arising from the other financial assets of the Group, which comprises cash and cash equivalents, available-for-sale financial investments and certain derivative instruments, the Group's exposure to credit risk arises from default of the counter-party, 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 short-term financial investments and forward exchange contracts.

11 TAX

STIFTELSEN DET NORSKE VERITAS 2009	STIFTELSEN DET NORSKE VERITAS 2008	STIFTELSEN DET NORSKE VERITAS 2007		DET NORSKE VERITAS GROUP 2009	DET NORSKE VERITAS GROUP 2008	DET NORSKE VERITAS GROUP 2007
			The tax expense consists of:			
16.2	16.3	11.1	Norwegian wealth tax	16.2	16.3	11.1
7.8	10.4	0.0	Norwegian income tax	43.6	224.4	53.1
0.0	0.0	0.0	Income tax outside Norway	225.7	251.5	224.9
24.0	26.7	11.1	Total tax payable	285.5	492.2	289.1
0.3	0.5	3.0	Change in deferred tax in Norway	83.0	(41.3)	38.4
0.0	0.0	0.0	Change in deferred tax outside Norway	14.7	13.8	8.1
0.3	0.5	3.0	Total change in deferred tax	97.7	(27.5)	46.5
24.3	27.2	14.1	**Tax expense**	383.2	464.7	335.6
			Effective tax rate	31%	42%	38%
36.1			Tax on profit at 28%	346.5	309.8	244.1
			Tax effect of:			
0.0			Foreign tax exempt branches	(18.6)	(19.3)	(12.5)
0.0			Changes to previous years' taxes	(3.9)	23.0	0.0
16.2			Wealth tax	16.2	16.3	11.1
0.0			Tax assets not recognised current year	16.7	14.0	17.3
0.0			Differences betw. tax rates in Norway and abroad	(26.1)	26.1	15.9
(28.0)			Permanent differences	52.4	94.8	59.7
24.3			**Tax expense**	383.2	464.7	335.6
			Net tax-reducing / tax-increasing			
			temporary differences:			
1.1	0.0	0.2	Fixed assets	(769.4)	(751.8)	(30.5)
0.0	0.0	0.0	Current assets	6.2	56.4	22.3
0.0	0.0	0.0	Liabilities	(152.7)	(930.5)	(317.3)
0.0	0.0	(1.8)	Tax loss to be carried forward	0.0	0.0	(1.8)
1.1	0.0	(1.6)	**Basis for deferred tax asset / liability**	(915.9)	(1 625.9)	(327.3)
28%	28%	28%	Tax rates applied	10%-40%	10%-43%	10%-43%
0.0	0.0	(0.4)	**Deferred tax asset**	(283.1)	(486.8)	(130.4)
0.3	0.0	0.0	**Deferred tax liability**	11.6	15.7	21.1

12 CHANGES IN THE GROUP STRUCTURE

COMPANY	ACQUIRED	PURCHASE CURRENCY	ACQUISITION COST LOCAL CURRENCY	EXTERNAL REVENUE INCL. IN 2009 ACCT. NOK
SOF Conseil SAS	December 2009	EUR	2.3	2.0

13 GOODWILL

COMPANY / BUSINESS ACTIVITY	GOODWILL COST AT 1 JAN.	ACCUM. DEPR. 1 JAN.	REVAL. EFFECTS	THIS YEAR'S ADDITIONS	THIS YEAR'S DEPR.	WRITE DOWN	GOODWILL 31 DEC.
Rutherford Holding Ltd (Jardine Group)	23.8	(19.2)	(0.2)	0.0	(4.4)	0.0	0.0
Global Energy Concepts Inc	152.2	(14.5)	(21.1)	0.0	(28.3)	0.0	88.3
Jardine Technology Ltd.	12.3	(1.0)	(0.8)	0.4	(2.4)	0.0	8.4
SOF Conseil SAS	0.0	0.0	0.0	16.0	(0.3)	0.0	15.8
CC Technologies Inc.	48.8	(35.6)	(1.3)	0.0	(10.7)	0.0	1.2
Healthcare	13.8	(3.3)	(1.6)	0.0	(2.7)	0.0	6.3
Alpha Miljørådgivning	4.0	(3.2)	0.0	0.0	(0.8)	0.0	0.0
CIBIT B.V.	51.2	(24.8)	(2.4)	0.0	(10.2)	(13.7)	0.0
Quality-Laboratories Sweden AB Group	20.7	(9.7)	(0.8)	0.0	(3.9)	(6.2)	0.0
Total	**326.7**	**(111.3)**	**(28.2)**	**16.4**	**(63.8)**	**(19.9)**	**120.0**

Goodwill is depreciated linearly over a 5-year period, based on an evaluation of economic life. Due to lower financial results from CIBIT B.V. and Quality-Laboratories Sweden AB than assumed at the time of acquisition, the remaining goodwill value on the balance sheet was written down by NOK 19.9 million in 2009.

14 OTHER INTANGIBLE ASSETS

COMPANY / INTANGIBLE ASSETS	COST AT 1 JAN.	ACCUM. DEPR. 1 JAN.	REVAL. EFFECTS	THIS YEAR'S ADDITIONS	THIS YEAR'S DEPR.	BOOK VALUE 31 DEC.
Norwegian Maritime Advisors - Technology	2.0	(0.6)	0.0	0.0	(0.4)	1.0
Tüv Healthcare Inc - License	8.6	(2.0)	(1.0)	0.0	(1.7)	3.9
Global Energy Concepts Inc - Customer relations	24.0	(2.3)	(3.3)	0.0	(4.5)	14.0
Total	**34.6**	**(4.9)**	**(4.3)**	**0.0**	**(6.5)**	**18.9**

Other intangible assets are depreciated linearly over a 5-year period, based on an evaluation of economic life.

15 INVESTMENT IN ASSOCIATES

Until 5th June 2009 Det Norske Veritas Holding AS owned 50% of Coor Service Management AS.
The investement was recognised in accordance with the equity method in Det Norske Veritas Group accounts.
On 5 June 2009, DNV sold the shares in the associated facility management company Coor Service Management AS for NOK 106.5 million. A sales gain of NOK 40.0 million from the transaction is included in the 2009 accounts.

Opening balance 1 January 2009	59.9
Profit from investment in associates January - June 2009	6.7
Sale of associate	(66.6)
Investment in associates 31 December 2009	**0.0**

16 FIXED ASSETS

	LAND, BUILDINGS AND OTHER PROPERTY	OFFICE EQUIPMENT, FIXTURES AND FITTINGS
Cost at 1 January 2009	1 385.6	1 845.0
Revaluation effects	(8.9)	(29.3)
Additions from acquisitions in 2009	0.0	0.4
Other additions in 2009	212.4	136.4
Disposals in 2009	(0.4)	(11.7)
Accumulated depreciation at 31 December 2009	(470.3)	(1 583.7)
Book value at 31 December 2009	**1 118.4**	**357.1**
Depreciation 2009	27.0	117.6
Economic life	20-100 years	3-10 years
Depreciation plan	Linear	Linear

Det Norske Veritas Eiendom AS has a tenancy agreement with Det Norske Veritas Pension Fund for an office building in Stavanger. In 2009 the rent amounted to NOK 9.2 million. The tenancy agreement is nonterminable for 30 years starting in 1984. Det Norske Veritas Pension Fund has an option to sell the property to Det Norske Veritas for NOK 147.0 million at the end of the period (year 2014).

17 LONG-TERM SHAREHOLDINGS

COMPANY	OWNERSHIP	BOOK VALUE
Røisheim Eiendom AS	3.2%	0.3
Shares owned by Stiftelsen Det Norske Veritas		0.3
Shenzhen Huatongwei International Testing Co., Ltd	49.0%	7.3
Ship Manoeuvring Simulator Center AS	34.6%	1.8
Vité Inc.	24.0%	0.0
TT Holding AS	11.1%	0.0
SA Isoscope	14.0%	1.4
Marintek AS	9.0%	0.0
ECA International	2,7 %	0.0
Resonansteknologi AS	67.7%	2.0
Kapnord Fond AS	4.7%	2.7
CCS-DNV Technology Institute	50.0%	5.4
Blade Test Centre AS	25.0%	4.6
Shares owned by subsidiaries		25.2
Total long-term shareholdings		25.5

18 OTHER SHORT-TERM LIABILITIES

	DET NORSKE VERITAS – GROUP		
	2009	2008	2007
Advances from customers	562.0	695.4	543.3
Accrued expenses	450.1	567.4	512.4
Accrued holiday allowances	287.9	281.5	220.2
Unrealised loss (gain) and interest related to forward contracts	32.0	372.6	(70.4)
Other short-term liabilities	56.3	99.9	56.4
Total other short-term liabilities	1 388.3	2 016.8	1 261.9

19 OTHER LONG-TERM RECEIVABLES

	DET NORSKE VERITAS – GROUP		
	2009	2008	2007
Loans to employees	70.8	70.2	67.4
Other long-term receivables	306.1	261.2	197.9
Total other long-term receivables	376.9	331.4	265.3

20 CASH AND BANK DEPOSITS

Det Norske Veritas Holding AS has a corporate bank account system with DnB NOR Bank ASA, in which most of DNV's legal entities participate. This system includes an overdraft facility of NOK 50 million.

Det Norske Veritas AS has a cash pool system with Royal Bank of Scotland, in which some of DNV's legal entities in the Euro countries participate.

Det Norske Veritas AS has a cash pool system with Handelsbanken, in which all DNV's legal entities in Sweden participate. This system includes an overdraft facility of SEK 10 million.

Balances on bank accounts participating in the corporate bank account system/cash pooling systems are considered as internal assets or liabilities vis-à-vis other DNV participants. For DNV on a consolidated basis, the net total balances of NOK 400.5 million with DnB NOR Bank ASA, EUR 4.2 million with Royal Bank of Scotland and SEK 11.7 million with Handelsbanken are included in Cash and bank deposits in the balance sheet at 31 December.

21 GUARANTEES

STIFTELSEN DET NORSKE VERITAS				DET NORSKE VERITAS – GROUP		
2009	2008	2007		2009	2008	2007
0.0	0.0	0.0	Guarantee commitments not included in the accounts	49.9	45.2	26.7

22 EQUITY

	FOUNDATION CAPITAL	OTHER EQUITY	STIFTELSEN DNV	SUBSIDIARIES OF STIFTELSEN DNV	DNV GROUP
Equity 31 December 2008	283.5	772.1	1 055.6	3 489.6	4 545.2
Change in unrecognised net loss defined benefit pension plans 2009				214.9	214.9
Foreign currency translation				(261.1)	(261.1)
(Gross) loss on hedge of net investments				210.4	210.4
Tax effect from hedging of net investments in foreign subsidiaries				(35.8)	(35.8)
Profit for the year		104.8	104.8	749.4	854.2
Equity 31 December 2009	**283.5**	**876.9**	**1 160.4**	**4 367.4**	**5 527.8**

Auditor's report

TO THE BOARD OF DIRECTORS OF STIFTELSEN DET NORSKE VERITAS

We have audited the annual financial statements of Stiftelsen Det Norske Veritas as of 31 December 2009, showing a profit of NOK 104.8 million for the Foundation and a profit of NOK 854.2 million for the Group. We have also audited the information in the Directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation of the profit. The financial statements comprise the financial statements for the Foundation and the Group. The financial statements of the Foundation and the Group comprise the balance sheet, the statements of income and cash flows, and the accompanying notes. The regulations of the Norwegian Accounting Act and accounting standards, principles and practices generally accepted in Norway have been applied in the preparation of the financial statements of the Foundation and the Group. These financial statements and the Directors' report are the responsibility of the Foundation's Board of Directors and President and Chief Executive Officer.

Our responsibility is to express an opinion on these financial statements and on other information according to the requirements of the Norwegian Act on Auditing and Auditors and the Norwegian Act on Foundations.

We conducted our audit in accordance with laws, regulations and auditing standards and practices generally accepted in Norway, including the auditing standards adopted by the Norwegian Institute of Public Accountants. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To the extent required by law and auditing standards, an audit also comprises a review of the management of the Foundation's financial affairs and its accounting and internal control systems. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- the financial statements of the Foundation and the Group are prepared in accordance with laws and regulations and present fairly, in all material respects the financial position of the Foundation and the Group as of 31 December 2009, and the results of the operations and cash flows for the year then ended, in accordance with accounting standards, principles and practices generally accepted in Norway.
- the Foundation's management has fulfilled its duty to properly record and document the Foundation's accounting information as required by law and generally accepted bookkeeping practice in Norway.
- the information in the Directors' report concerning the financial statements, the going concern assumption, and the proposal for the allocation for the profit is consistent with the financial statements and complies with law and regulations.
- the asset management of the Foundation has been made in accordance with law, the object of the Foundation and its statutes.

Oslo, 21 April 2010

ERNST & YOUNG AS

Finn Ole Edstrøm
State Authorised Public Accountant (Norway)
(sign.)

Note: The translation to English has been prepared for information purposes only.

GRI content index

SCOPE AND BOUNDARY OF THE REPORT

This Annual Report presents DNV's financial, social and environmental performance and has been prepared using the guidelines of the Global Reporting Initiative (GRI). DNV's vision of a global impact for a safe and sustainable future is reflected throughout the report.

The selection of reporting parameters is based on an assessment of materiality for all GRI indicators. Due regard has been given to their relevance to DNV and DNV's stakeholders. The indicators reflect both opportunities and challenges for DNV being a professional service provider with the purpose of safeguarding life, property and the environment. DNV's work with Corporate Responsibility uses a risk-based approach in identifying and prioritising activities to ensure continuous improvement and measurement within focus areas such as corporate governance, business ethics, transparency, health, safety and the environment. These activities are reported upon. This report also takes into account our reporting commitment to the UN Global Compact and our Communication of Progress is integrated with the GRI content index.

DNV has applied the GRI Sustainability Reporting Guidelines (GRI G3) in preparing this annual report. The financial review has been prepared in accordance with the Norwegian Accounting Act and accounting principles generally accepted in Norway. Information on accounting principles applied to subsidiaries is given in the notes to the financial statements. DNV is continuously working to extend the scope and boundary of its environmental reporting to cover more sites; in this report environmental performance reports were collected from 19 office locations (including the ten largest) and our five petroleum services laboratories. In total they cover 53% of our organisation (2008: 47%).

The GRI content index shows where you can find information on the main reporting elements and indicators of the GRI and the UN Global Compact. References are also made to information that can be found on our web site: www.dnv.com. The number of indicators reported upon has increased since 2007 as a result of continuous focus on transparency in reporting. The indicators that are not reported upon are listed at the end of the index. Apart from the financial statements, the content of this report has not been externally assured. We are considering that for future reporting.

Application Level
DNV has assessed this report against the criteria in the GRI Application Levels and declares this report to meet the requirements for Level B. This Application Level has been checked by the GRI. The annual financial statements have been audited by Ernst and Young AS.

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● ● G3 disclosures
● GC = UN Global Compact reference
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One of the driving forces behind the growth of DNV is our global presence. Almost 300 offices in 100 countries enable us to be close to our customers and to share best practices and quality standards throughout the world.

In addition to the Headquarters at Høvik, Norway, we have established four main hubs in Singapore, London (UK), Milan (Italy) and Houston (US).

FEEDBACK: Please let us know your views or comments on this report by email to dnv.corporate@dnv.com or write to us at DNV, Corporate Communications, NO-1322 Høvik, Norway.

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