

Corporate Governance

Overview

DP World Limited (the "Company") is incorporated in the Dubai International Financial Centre (the "DIFC") and was admitted in 2007 to the official list of securities on Nasdaq Dubai. The Company must therefore comply with the regulatory obligations of the DIFC Markets Law and the various rules made by the Dubai Financial Services Authority thereunder (together with DIFC Markets Law, the "Nasdaq Dubai Rules"). The Board reviewed and monitored the policies and procedures that were in place during the year to ensure compliance with the corporate governance principles of the NASDAQ Dubai Rules as briefly summarised below.

The Directors believe that these rules, including the mandatory corporate governance principles enshrined in them and the best practice standards which support the principles, provide a robust basis on which to maintain corporate governance best practice for the benefit of the Company's shareholders.

Leadership

- Principle 1: requires an effective Board of Directors which is collectively accountable for ensuring that the Reporting Entity's business is managed prudently and soundly.
- Principle 2: requires a clear division between the responsibilities of the Board and the Senior Management.
- Principle 3: the Board and its committees must have an appropriate balance of knowledge, experience and adequate resources.

➔ **To read more about our Board's Leadership see page 60**

Accountability

- Principle 4: the Board must ensure that there is an adequate, effective, well-defined and well-integrated risk management, internal control and compliance framework.
- Principle 5: the Board must ensure that the rights of shareholders are properly safeguarded and there is effective dialogue between the Board and Shareholders.

➔ **To read more about our internal controls and compliance framework see page 66 to 67**

➔ **To read more about our shareholder engagement, see page 68**

Position and Prospects

- Principle 6: the Board must ensure any reports present an accurate, balanced and understandable assessment of the Company's financial position and prospects.

➔ **See the Statement of Directors' Responsibilities on page 77**

Remuneration

- Principle 7: the Board must ensure that the Company's remuneration structures and strategies are well aligned with the long term interests of the Company.

➔ **To read more see our Remuneration Committee report on page 73**

Board Committee Reports

A separate section of a company's Annual Report should, under the Nasdaq Dubai Rules, describe the work carried out by each of the Audit, the Remuneration and the Nomination Committees in discharging their responsibilities.

➔ **See page 69 for the Audit Committee report**

➔ **See page 72 for the Nomination and Governance Committee report**

➔ **See page 73 for the Remuneration Committee report**

Corporate Governance continued

Leadership



2017 DP World Global Leadership Meeting

The Company's Board of Directors ensures that the business of the Company and its subsidiaries (collectively "the Group") is managed prudently and soundly. The Board's primary responsibility is to foster the long-term success of the Group.

Effective Board leadership requires a clear division between the Board's responsibilities and those responsibilities which the Board has delegated to management. The matters reserved for Board decision include:

- setting the strategic objectives of the Group,
- declaring dividends,
- approving major transactions,
- setting the annual budget for the Group,
- approving safety and environment policies, and
- insurance, risk management and internal controls.

The Board has delegated the following responsibilities to management:

- the development and recommendation of strategic plans for consideration by the Board that reflect the long term objectives and priorities established by the Board;
- implementation of the Group's strategies and policies as determined by the Board;
- monitoring the operating and financial results against plans and budgets;
- monitoring the quality of the investment process against objectives, prioritising the allocation of capital and technical resources; and
- developing and implementing risk management systems, subject to the continued oversight of the Board and the Audit Committee as set out on page 66.

A full description of the matters reserved for Board decision are available on the Company's website, www.dpworld.com. In accordance with the Company's Articles of Association ("the Articles"), all Directors offer themselves annually for reappointment. Details of the Directors of the Company are given on pages 52 to 55.

Roles and Responsibilities of the Directors and Officers of the Company

Group Chairman and Chief Executive Officer

The roles of Group Chairman and Chief Executive Officer are held by the same individual.

The Group Chairman and Chief Executive is responsible for the leadership of the Board, in conjunction with the Senior Independent Director (the "SID"). As leader of the Executive team, he is also responsible for the day-to-day management of the Group and the execution of its strategy as approved by the Board.

When acting as Chairman of the Board the Group Chairman and Chief Executive Officer ensures, with the support of the Senior Independent Director and the Group Company Secretary, that the agendas are forward-looking and that relevant business is brought to the Board for consideration in accordance with the schedule of matters reserved to the Board and that each Director has the opportunity to consider the matters brought to the meeting and to contribute accordingly. He is Chairman of the Executive Committee and is responsible for the day-to-day management of the Group and the execution of its strategy as set by the Board. He facilitates the flow of information to and from the Board and the Management Committees of the Group.

Group Chief Financial Officer

The Group Chief Financial Officer is responsible for ensuring that objective financial, statutory and management information is provided to the Board and that the accounts and accounting principles of the Company are of the highest standards and integrity. Reporting responsibilities also include updating the Board on the progress made by the Company in achieving its financial objectives.

The Group Chief Financial Officer's operational responsibilities include working closely with the Company's auditors, financial advisers and banks to manage the financial planning and risks of the Company.

Senior Independent Director

The SID is a Non-Executive Director appointed by the Board to provide support for the Chairman in leading the Board and serve as an intermediary for the other Directors where this is required to help them challenge and contribute effectively.

In addition, the SID is required to work closely with the Chairman to ensure effective communication with shareholders and meet with the Independent Non-Executive Directors at least once a year to appraise the Chairman's performance.

Together with the Chairman, Deepak Parekh leads the Board on governance matters and the annual performance review of the Board and its Committees. The Board believes that the support of the Senior Independent Non-Executive Director ensures that robust governance is maintained and that appropriate challenge to the Executive Directors is in place.

Independent Non-Executive Director

An Independent Non-Executive Director is a member of the Board who is not an employee of the Company or affiliated with it such that they bring to the Board qualities of independence and impartiality. They are often appointed due to their wide executive and industry experience, special knowledge and personal attributes that add value to the effectiveness of the Board.

In compliance with the Corporate Governance Best Practice Standards in the Nasdaq Dubai Rules, at least one-third of the Board was comprised of Non-Executive Directors and more than the required minimum of two were considered by the Company to be independent. The independence of the Independent Non-Executive Directors is considered annually and the Board believes that they have retained their independent character and judgement. The Board considers that the varied and relevant experience of all the Independent Directors provides an exceptional balance of skills and knowledge which is of great benefit to the Group.

The Board increased the number of Independent Non-Executive Directors during the year and believes that the Group continues to benefit from the breadth of experience represented by its existing balance of Independent and Non-Independent Directors. The Company will continue to review the composition of the Board from time to time to ensure that an appropriate balance of Independent and Non-Independent Directors is maintained.

Group Company Secretary

The Group Company Secretary advises the Board, through the Group Chairman and Chief Executive Officer and Senior Independent Director, on all governance matters affecting the Company. She is responsible for supporting the Group Chairman and Chief Executive Officer with the setting of the Board's agenda and facilitating the flow of information to and from the Board. She is also responsible for the efficient administration of the Company, particularly with regard to ensuring compliance with statutory and regulatory requirements, and for ensuring that decisions of the Board of Directors are implemented.

All Directors have access to the Group Company Secretary and independent professional advice at the Company's expense, if required.

Corporate Governance continued

Corporate Governance Framework

The Board is at the centre of our Corporate Governance Framework. It is supported by a number of Committees to which certain Board responsibilities are delegated. These committees, in turn formally report to the Board following each meeting to ensure that the Board remains fully updated on their activities. The principal Board Committees include the Remuneration, Audit and Nominations and Governance Committees, with formally delegated duties and responsibilities and written Terms of Reference. From time to time, the Board may set up additional committees to consider specific issues when the need arises.

Reports on the activities of the principal Board Committees can be found on the following pages and their Terms of Reference are available on the Company's website, www.dpw.com. The Group Company Secretary provides support as the secretary for the principal Board Committees.

The Board considers that the Corporate Governance Framework promotes the prudent and sound management of the Company in the long term interest of the Company and its shareholders and is effective in promoting compliance with the Corporate Governance principles of the Nasdaq Dubai Rules.

Disclosure Panel

Assists the Board in reviewing its disclosure obligations with regards to Inside Information and providing recommendations on announcements when required.

Remuneration Committee

Assists the Board in determining the framework and broad policy for the remuneration of the Executive Directors and other members of senior management.

Committee Report [Page 73](#)

Nominations and Governance Committee

Assists the Board in discharging its responsibilities relating to the size and composition of the Board, reviewing the Board's structure and identifying candidate Directors when the need arises.

Committee Report [Page 72](#)

Audit Committee

Assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits, internal controls and risk management.

Committee Report [Page 69](#)

Enterprise Risk Management Committee

Assists the Board in fulfilling its oversight responsibilities in relation to the Principal Risks faced by the Group.

■ Board ■ Non-Board ■ Other

Board of Directors

Group Chairman & CEO

Owners/Shareholders

Provide oversight by electing the Board of Directors to oversee the management of the Company and approving major transactions in accordance with the NASDAQ Dubai Rules.

Innovation Committee

Assists the Board in fulfilling its oversight responsibilities in relation to the Company's innovation strategy, policy and programmes and empowerment of the Company's innovators through fostering, managing and implementing new ideas.

Sustainability Advisory

Assists the Board in fulfilling its oversight responsibilities in relation to the Company's sustainability strategy, policies, programmes and performance.

Executive Committee

Primarily responsible for the day-to-day management of DP World's operations and strategic policy implementation, such policies being established and approved by the Board.

Board Meetings

Although there is a prescribed pattern of presentation to the Board, including matters specifically reserved for the Board's decision, all Board meetings tend to have further subjects for discussion and decision-taking. Board papers, including an agenda, are sent out in advance of the meetings. Board meetings are discursive in style and all Directors are encouraged to offer their opinions.

The Board met seven times during the year either in person or via telephone or video conference. In addition, written resolutions (as permitted by the Company's Articles of Association) were used as required for the approval of decisions that exceeded the delegated authorities provided to Executive Directors and Committees.

The table below sets out the attendance of the Directors at the Board and Committee meetings during the year.

Director	Board	Audit	Nominations and Governance	Remuneration
Sultan Ahmed Bin Sulayem	6(7)	–	2(2)	–
Jamal Majid Bin Thaniah (retired 4 January 2017)	6(7)	3(4)	1(1)	–
Yuvraj Narayan	7(7)	–	–	–
Deepak Parekh	5(7)	3(4)	1(1)	2(2)
Robert Woods	7(7)	–	2(2)	2(2)
Mark Russell	7(7)	4(4)	1(1)	2(2)
Nadya Kamali (appointed 28 April 2016)	5(5)	2(2)	–	–
Mohamed Al Suwaidi (appointed 28 April 2016)	5(5)	–	1(1)	1(1)
Abdulla Ghobash (appointed 28 April 2016)	3(5)	–	0(1)	–
Mohammed Sharaf (retired 27 January 2016)	0(0)	–	–	–

Figures in brackets denote the maximum number of meetings that the Director could have attended.

2016 Board Activities

Matters Considered at all Board Meetings

- Report on safety and environment performance and developments.
- Report on strategic and business developments from the Group Chairman and Chief Executive Officer.
- Report on the financial performance of the Group, including budgeting and financing updates.
- Report on corporate governance, including governance developments across the Group and regulatory updates.

Matters Considered During the Year

Leadership	<ul style="list-style-type: none"> • Reviewed and approved changes to the structure, size and composition of the Board and its Committees. • Reviewed and approved changes to the fees paid to Non-Executive Directors. 	<ul style="list-style-type: none"> • Reviewed and approved the appointment of three new Independent Non-Executive Directors. • Approved new Group Chairman and Chief Executive Officer.
Financial Reporting and Controls	<ul style="list-style-type: none"> • Considered results and declared dividends. • Approved Group Budget. • Considered and approved major capital projects including new concessions and increases in the Company's holdings. The new concessions included Limassol (Cyprus), Posorja (Ecuador) and Berbera (Somaliland). The Company increased its holding in Pusan Newport Company Limited (South Korea). 	<ul style="list-style-type: none"> • Reviewed funding plans and approved an update to the \$500 million GMTN programme, the establishment of a new \$1.2 billion Sukuk programme and the establishment of a \$3.7 billion investment platform to invest in ports and terminals globally – outside of the UAE.

Corporate Governance continued

Matters Considered During the Year continued

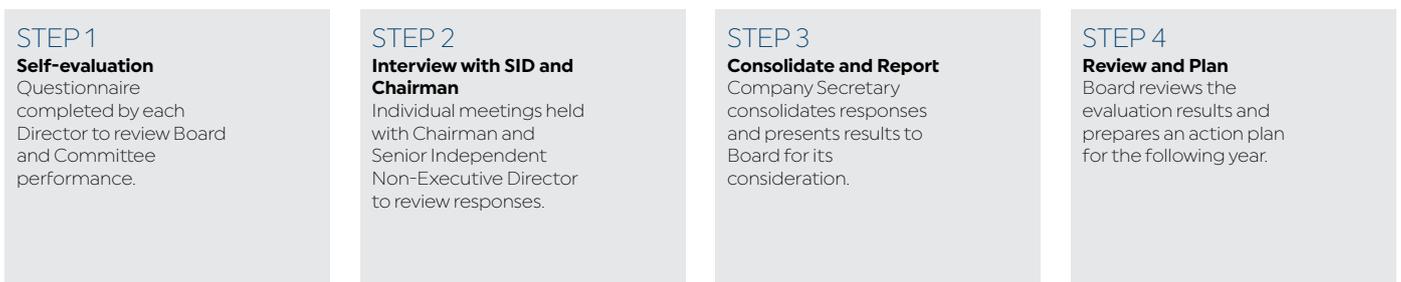
Strategy and Management	<ul style="list-style-type: none"> Received detailed regional presentations on performance against strategic objectives and key performance indicators. Considered and approved a major solar energy project to reduce the Group's impact on the environment by generating clean and renewable electricity. 	<ul style="list-style-type: none"> Received reports outlining projects under current consideration of the Group.
Risk Management	<ul style="list-style-type: none"> Received the risk reviews and updated ERM Policy and Framework, as considered by the Audit Committee. Monitored the status of legal claims. 	<ul style="list-style-type: none"> Received updates on insurance matters and approved the renewal of the Directors' and Officers' Insurance.
Corporate Governance	<ul style="list-style-type: none"> Considered and approved a Director level programme, aimed at developing skills and talent for a strong succession plan, creating a generation of future leaders. 	<ul style="list-style-type: none"> Reviewed and approved changes to the Terms of Reference for the Sustainability Advisory Committee.
Shareholders	<ul style="list-style-type: none"> Reviewed and approved throughput announcements released during the year. Reviewed and approved preliminary, full and half-year results announcements. Approved the Company's Annual Report and Accounts. 	<ul style="list-style-type: none"> Received Annual General Meeting briefing, approved the notice and ancillary documents to be sent to shareholders and attended meeting.

Board Evaluation

The Board undertakes a formal and rigorous annual evaluation of its own performance and that of its Committees and individual Directors. The evaluation of the Board and its Committees is a key component of effective corporate governance. It is a vital tool to ensure that the Board discharges its responsibilities effectively and assists in identifying possible ways for improving the performance of the Board.

Evaluation Process

For the financial year ended 31 December 2016, the Board evaluation was facilitated internally by the Group Company Secretary in accordance with the following process:



The evaluation process covered a wide range of issues, including leadership, Board meeting dynamics, competency of board members, succession planning, information quality and flow, relationship with senior management, quality of Board supervision and decision-making with emphasis on the Board's role in strategic decisions.

The Committee evaluations focused on the following areas:

- Assessing the balance and skills within each Committee;
- Identifying attributes required for any new appointments;
- Reviewing practice and process to improve efficiency and effectiveness;
- Considering the effectiveness of each Committee's decision making processes; and
- Recognising each Committee's outputs and achievements.

Tracking from Previous Evaluation and Action for 2016

As a result of the evaluation of the Board's performance in December 2015 and the action plan that was subsequently developed, the Company reviewed the Board composition to ensure that it included the optimum balance of skills, experience and diversity and reviewed the succession planning and Board

training programme. The table below illustrates the findings from the December 2015 performance review, the actions taken by the Board and principal Committees during 2016 and the actions identified for 2017 as a result of the December 2016 performance review.

The DP World Limited Board – Performance Evaluation Cycle

December 2015 findings	<p>The following were identified during the review as areas for potential improvement:</p> <ul style="list-style-type: none"> • Review the Board composition to ensure the Board has the optimum balance of skills, experience and diversity. • Review the Company's succession planning and improve the Board's interaction with members of senior management. • Continue to focus on communication with institutional investors.
Progress in 2016	<ul style="list-style-type: none"> • Board composition reviewed during the year and three new Non-Executive Directors were appointed at the AGM on 28 April 2016. • Board members attended the Global Leadership meeting in February 2016 and the location of the Board meetings were rotated to give Board members the opportunity to visit DP World's global operations and meet with local senior management. • The Company has an ongoing commitment to open communications with institutional investors and shareholders – see the "Relations with Shareholders" section starting on page 68.
Actions for 2017	<ul style="list-style-type: none"> • Continue to optimise the Board's exposure to, and familiarity with, Senior Management. • Enhance the succession planning and talent development to build a generation of future leaders and directors. • Optimise the strategic and market review to gain further competitive advantage.

Audit Committee	Nominations and Governance Committee	Remuneration Committee
<p>During the year, and as part of the performance evaluation cycle, the composition of each of the Board's main sub-Committees was reviewed. The membership of each of the Committee's was enhanced by the appointment of at least one new independent Non-Executive Director. A new Chair was appointed to both the Audit Committee and the Nominations and Governance Committee. For further details about the membership and activities of each sub-Committee please refer to the Committees' report.</p>		
<p>For the report of the Audit Committee please see page 69.</p>	<p>For the report of the Nominations and Governance Committee please see page 72.</p>	<p>For the report of the Remuneration Committee please see page 73.</p>

Corporate Governance continued

Accountability

The Board is responsible for the Group's system of internal control and for reviewing its effectiveness. The internal control system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

Risk Management Framework

Risk Management is the responsibility of the Board and is integral to the achievement of our strategic objectives. The Board is responsible for establishing the system of risk management, setting the risk appetite of the Group and for maintaining a sound internal control system. Certain elements of this responsibility are overseen on behalf of the Board by the Executive Committee, the Audit Committee and the Enterprise Risk Management Committee.

The Group's risk management and internal control processes, which have been in place throughout the period under review, identify, manage and monitor the key risks facing the Group. The risks which are considered to be material are reviewed by the Audit Committee and then, together with their associated controls, are summarised in the risk profile and presented to the Board for review.

At the year-end, regional management certifies that the risk management process is in place, that an assessment has been conducted throughout their businesses and that appropriate

internal control procedures are in place or in hand to manage the risks identified.

During the year the Enterprise Risk Management Committee met a number of times to provide a greater degree of oversight on the principal risks that may impact our Group. Recommendations arising from these meetings are presented to the Audit Committee for their review and consideration. A description of the process for managing enterprise risk, together with a summary of risks which could have a material impact on the Group and actions in place to mitigate those risks, is given on pages 30 to 37.

Internal Controls

The Board is responsible for establishing and maintaining an effective system of internal control and has established a control framework within which the Group operates. This system of internal control is embedded in all key operations and is designed to provide reasonable assurance that the Group's business objectives will be achieved. The Audit Committee has reviewed the effectiveness of the system of internal controls and the risk management framework in accordance with its remit.

The risk management process and the system of internal control are subject to continuous improvement.

Group's System of Internal Controls

Organisational structure	A clearly defined organisational structure that provides clear roles, responsibilities and delegated levels of authority to enable effective decision making across the Group.
Code of Conduct	A Code of Conduct that sets out how the Group expects its employees to act.
Whistleblowing Policy	A whistleblowing programme for employees to report complaints and concerns about conduct which is considered to be contrary to DP World's values. The programme is monitored by the Audit Committee.
Anti-Bribery and Corruption Policy	An Anti-Bribery and Corruption Policy implemented by DP World, supported by online training that is directed and proportionate to the identified areas of risk.
Strategy and financial management	Clear strategy and financial management which is consistent throughout the organisation and can be actively translated into practical measures. Comprehensive reporting systems include monthly results, annual budgets and periodic forecasts, monitored by the Board, with key performance indicators produced to summarise and monitor business activity. Annual budgeting and strategic planning processes are in place, along with evaluation and approval procedures for major capital expenditure and significant treasury transactions.
Policies and procedures	Documented policies and procedures which are communicated to all Group functions and terminals.
Management reporting and self-certification	The Board receives regular management reporting and annual management self-certification which provides a balanced assessment of key risks and controls and is an important component of the Board's assurance.
Risk management and performance	Risk-profiling is completed for all terminals and the Group to identify, monitor and manage significant risks which could affect the achievement of the Group's objectives.

Information and communication

Board meetings take place regularly throughout the year and include a review of Group performance against budget and Group strategy and a review of monthly management accounts and financial reports. Financial forecasts are prepared every quarter. Actual performance is compared to budget, latest forecast and prior year on a monthly basis. Significant variances are investigated and explained through normal monthly reporting channels.

Assurance

The Group's assurance activities cover key business risks and contribute to the overall assurance framework. They include an independent Group Internal Audit function responsible for reporting to the Audit Committee on the evaluation of the adequacy of the internal control systems in place. The Board receives updates from the Audit Committee, based on regular information provided by both internal and external audit reports on the Group's risks and internal controls. Other assurance functions include Safety, Operations, Legal and Company Secretariat.

Guidelines Regarding Insider Trading

The Group takes all reasonable steps to avoid the risk of insider trading. It has adopted processes to keep all members of staff informed about their duties with respect to the handling of inside information, as well as dealings in the Company's shares. The Group has a share dealing code which sets out the restrictions and "close" periods applicable to trading in securities. Memoranda and guidelines regarding dealings in shares (either selling or buying) have been circulated within the Group.

Anti-Fraud

DP World has an Anti-Fraud Policy and has introduced a comprehensive fraud management framework which includes a Fraud Supervisory Panel, which takes effect in the event of serious incidents to oversee case management and to ensure appropriate actions are taken. Fraud risk assessments are conducted across various business units across the Group to identify potential fraud risk scenarios in core business processes and to monitor the internal controls in place to mitigate such risks.

The Audit Committee receives an update at each meeting on all reported allegations. The Audit Committee has reviewed the Group's "whistleblowing" procedures to ensure that arrangements are in place to enable employees to confidentially raise concerns about possible improprieties.

Anti-Bribery and Corruption

DP World has an Anti-Bribery and Corruption Policy with supporting processes and procedures that implement the requirements of the UK Bribery Act 2010 and underpin its commitment to preventing, detecting and responding to fraud, bribery and all other corrupt practices. The Group promotes and expects from its team the highest standards of personal and professional ethical behaviour.

To strengthen the Group's zero tolerance to fraud, bribery and corrupt practices, an online anti-bribery and corruption training course is rolled out to targeted employees, Directors and new joiners. The course provides an overview of the Group's anti-corruption policies and procedures, the importance of having an anti-bribery culture and its place in the Group's business practices, the consequences of breaching anti-bribery legislation, and how employees can report any suspicions of fraud and breaches of anti-bribery legislation. DP World will continue to review its policies, processes and procedures and is networking with other international businesses to share best practice in this area.

Modern Slavery Act

DP World does not tolerate modern slavery or human trafficking in any part of our business. The Board has approved a Modern Slavery Act Transparency Statement in compliance with section 54 of the United Kingdom's Modern Slavery Act 2015, which is available to view on the Company's website, www.dpworld.com

Compliance Statement

DP World Limited (the "Company") is incorporated in the Dubai International Financial Centre ("DIFC") and was admitted in 2007 to the official list of securities on Nasdaq Dubai. During the Financial Year the Company was subject solely to the regulatory obligations of the DIFC Markets Law and the various rules made by the Dubai Financial Services Authority thereunder (together with DIFC Markets Law, the "Nasdaq Dubai Rules"). The Board reviewed and monitored the policies and procedures that were in place during the year to ensure compliance with the Corporate Governance principles of the Nasdaq Dubai Rules.

For the year ended 31 December 2016, the Company complied with the provisions of the Nasdaq Dubai Rules other than:

- paragraph 16 of App 4 to the Nasdaq Dubai Rules ("App 4") – the roles of Chairman and of Chief Executive Officer were held by the same individual. The appointment of the Chairman, Sultan Ahmed Bin Sulayem, as Chief Executive Officer was approved by the shareholders at the Company's Annual General Meeting in April 2016. Furthermore, in accordance with

paragraph 17 of App 4, the Board has established measures to ensure that it can properly discharge its function of providing effective oversight of the management of the Company:

- In April 2016, three Independent Non-Executive Directors were appointed to the Board and the membership and chairmanship of Board sub-committees was reviewed. Following the appointments the majority of the Board comprises of Independent Non-Executive Directors.
- The Executive Directors and senior managers have objectives and their performance against these objectives are reviewed by the Remuneration Committee, which is comprised entirely of Independent Non-Executive Directors.
- paragraph 31 of App 4 – at the time of his appointment as Chairman, Sultan Ahmed Bin Sulayem did not meet the independence criteria set out in the Nasdaq Dubai Rules. He was Chairman of Dubai World and Port & Free Zone World FZE at the time that DP World was admitted to listing in Dubai and remains the only representative of Port & Free Zone World FZE on the DP World Board.

Corporate Governance continued

Relations with Shareholders

Shareholder Engagement Calendar for 2016

JANUARY TO MARCH

Full Year 2015 throughput conference call

J.P Morgan 7th Annual Global Emerging Markets Corporate Conference (New York, USA)

EFG Hermes One on One Conference 2016 (Dubai, UAE)

Full-year 2016 results conference call

Roadshow in the US and UK following full-year 2015 results

APRIL TO JUNE

Annual Investment Meeting (Dubai, UAE)

Bonds, Loans & Sukuk Middle East (Dubai, UAE)

HSBC MENAT and LATAM Equity Investor Forum (Dubai, UAE)

DFM International Investor Roadshow in collaboration with Goldman Sachs (London, UK)

JULY TO SEPTEMBER

2016 half year throughput conference call

2016 half year results conference call

Roadshow in the US and UK following half year 2016 results

EFG Hermes 6th London Mena Conference (London, UK)

The 3rd Annual Arqaam Capital MENA Investors Conference 2016 (Dubai, UAE)

OCTOBER TO DECEMBER

DFM International Investor Roadshow 2016 (New York, USA)

2016 nine months throughput conference call

Bank of America Merrill Lynch MENA Conference 2016 (Dubai, UAE)

The Company is committed to communicating its strategy and activities clearly to its shareholders and, to that end, maintains an active dialogue with investors through a planned programme of investor relations activities.

In 2016 we held over 300 meetings and met over 200 institutions. Attended two local roadshows and two international roadshows, participated at six local conferences and four international conferences and organised over 45 port tours for investors at Jebel Ali.

We are pleased that our efforts to engage with our investors during the year were recognised, with 6 awards, including "Leading Corporate for Investor Relations in the Middle East" at the 2016 Middle East Investor Relations Society Awards.

The Company's full and half-year results and quarterly throughput announcements are reported to investors through a combination of presentations and conference calls. The full and half-year reporting is then followed by investor meetings in major cities where the Company has or is targeting institutional shareholders. These locations may include Australia, Asia, Europe, the Americas and the UAE.

Regular attendance at industry and regional investor conferences provides opportunities to meet with existing and prospective shareholders in order to update them on performance or to introduce them to the Group. In addition, the Group frequently hosts investor and analyst visits to its ports around the world, offering analysts and shareholders a better understanding of the day-to-day business and the opportunity to meet regional and port management teams.

The Board receives regular updates on shareholders' views through briefings from the Group Chairman and Chief Executive Officer and Group Chief Financial Officer as well as reports from the Company's corporate brokers and Investor Relations team. In 2016, the Company maintained corporate broking relationships with Citigroup Global Markets Limited and Deutsche Bank AG.

The Chairman, the Senior Independent Director and the Chairmen of the Board's Committees are available to meet major investors on request. The Senior Independent Non-Executive Director has a specific responsibility to be available to shareholders who have concerns, and for whom contact with the Group Chairman and Chief Executive Officer or Group Chief Financial Officer has either failed to resolve their concerns, or for whom such contact is inappropriate.



Visit our dedicated Investors page on our corporate website, www.dpworld.com/investor-centre

Contact our Investor Relations team:

Redwan Ahmed, Director – Investor Relations
Email: Investor.Relations@dpworld.com
Phone: +971 (0)4 881 1110

Share and dividend enquiries

Link Market Services (EMEA) Limited
Email: dpworld@linkmarketservices.com
Phone: +971 (0)4 401 9983

Audit Committee

Members

Nadya Kamali (Committee Chair)

Deepak Parekh

Jamal Majid Bin Thaniah
(retired 4 January 2017)

Mark Russell



During 2016, the Board reviewed the membership and composition of the Committee and Nadya Kamali was appointed by the Board as Committee Chair.

During 2016 the Committee was comprised of four members, three Independent Non-Executive Directors and one Non-Executive Director. Following the retirement of Jamal Majid Bin Thaniah the Committee is solely comprised of Independent Non-Executive Directors. The secretary to the Committee is Ritva Kassis, Group Company Secretary.

Committee Meetings

The Audit Committee meets formally at least four times a year and otherwise as required.

Attendance at the Audit Committee meetings is set out in the table on page 63.

Role of the Committee

The primary role of the Audit Committee is to ensure the integrity of the financial reporting and audit process and to oversee the maintenance of sound internal control and risk management systems. This includes the responsibility to:

- make recommendations to the Board on the appointment and remuneration of the external auditors, review and monitor the external auditors' performance, expertise, independence and objectivity along with the effectiveness of the audit process and its scope;
- review and monitor the integrity of the Group's financial statements and the significant reporting judgements contained in them;
- monitor the appropriateness of accounting policies and practices;
- review the adequacy and effectiveness of financial reporting and internal control policies and procedures and risk management systems;
- monitor and review the activities and effectiveness of the Internal Audit function;
- review the effectiveness of the Group's whistleblowing policies; and
- monitor risks and compliance procedures across the Group.

External and internal auditors are invited to attend the Audit Committee meetings, along with any other Director or member of staff considered necessary by the Committee to complete its work. The Committee meets with external auditors and internal auditors without Executive Directors or members of staff present at least once a year, and additionally as it considers appropriate.

The full Terms of Reference of the Audit Committee can be found on DP World's website, www.dpworld.com.

Corporate Governance continued

Significant Issues

We identified the issues below as significant in the context of the 2016 financial statements.

We consider these areas to be significant taking into account the level of materiality and the degree of judgement exercised by management. We debated the issues in detail to ensure that the approaches taken were appropriate.

Areas of Focus	Committee Action
<p>Impairment testing (see note 15 to the financial statements)</p> <p>An impairment review is carried out annually by management to identify cash-generating units (CGU – operating port or group of ports) where the recoverable amount of the CGU is less than the value of the assets carried in the Group's accounts. Impairment results in a charge to the Group income statement.</p> <p>Key judgements and assumptions need to be made when valuing the assets of the cash generating units and the quantum of potential future cash flows arising from those assets.</p>	<p>We considered the significant judgements, assumptions and estimates made by management in preparing the impairment review to ensure that they were appropriate. In particular, the cash flow projections, margins, discount rates, inflation, perpetuity growth rates and sensitivity analysis were reviewed. We also considered CGU specific and external market factors to assess reasonableness of management assumptions.</p> <p>We obtained the external auditors' view in relation to the appropriateness of the approach and outcome of the review. Taking this into account, together with the documentation presented and the explanations given by management, we were satisfied with the thoroughness of the approach and judgements taken.</p> <p>The review did not result in any impairment during the year.</p>
<p>Acquisition Accounting</p> <p>The Group has acquired an additional stake in Pusan Newport Company Limited ("PNC") during the year, resulting in PNC being controlled by the Group, and therefore consolidated in the Group's financial statements from the date that control was acquired.</p> <p>The acquisition accounting involves estimating the fair value of assets and liabilities acquired on the date of acquisition, including the identification and valuation of intangible assets and goodwill. Significant judgement is involved in relation to the assumptions used in the valuation and purchase price allocation process.</p>	<p>We considered the judgements made by the management in concluding the classification of PNC as a subsidiary of the Group.</p> <p>We reviewed the management's assumptions in relation to the valuation and allocation of purchase price on the acquisition of PNC based on a report by an independent valuation specialist and were satisfied with the assumptions, judgements and conclusions reached.</p> <p>The acquisition resulted in the recognition of goodwill and a charge to the income statement (taking into account impact of exchange) which has been appropriately disclosed in the financial statements.</p>
<p>Contingencies</p> <p>The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes.</p>	<p>We focused on the potential liabilities arising from litigation claims.</p> <p>To determine whether the level of provisioning in the balance sheet or disclosure in the financial statements was appropriate, we considered inputs from the Group's legal Counsel and external lawyers.</p> <p>We obtained external auditors' comments on this area and concluded that the approach taken in respect of provisioning and disclosure continued to be appropriate.</p>
<p>Tax provision</p> <p>The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes.</p>	<p>We reviewed the updates from the Tax Director and reports from the external auditors and tax-consultants.</p> <p>We considered the appropriateness of tax provisions and deferred tax assets in relation to the updates and reports received and concluded that the treatment adopted was fair and reasonable.</p>
<p>Post-employment obligations (Pensions)</p> <p>Determining the current value of the Group's future pension obligations require a number of assumptions. These assumptions relate principally to life expectancy, discount rates applied to future cash flows and rates of inflation and future salary increases.</p>	<p>Valuation assumptions, prepared by external actuaries and adopted by management, were considered in the light of prevailing economic indicators and the view of the external auditors. These were accepted as appropriate.</p>

Financial Reporting

The Committee reviewed the annual update to Group's accounting policies. The significant accounting judgements and policies adopted in respect of the Group's financial statements were agreed and considered appropriate. The appropriateness of the transactions separately identified as separately disclosed Items ("SDI") in the financial statements in order to highlight the underlying performance for the period were discussed and approved. The Committee also reviewed external auditors' reports and documentation prepared to support the going concern judgement.

Internal Audit

The scope of activity of Internal Audit is monitored and reviewed at each Audit Committee meeting.

An annual plan was agreed by the Committee in December 2015 which covers the activities during the year ended 31 December 2016.

During the year, the Chief Internal Auditor attended each Committee meeting where internal control update reports were reviewed and discussed in detail. The Committee considered the matters raised and the adequacy of management's response to them, including the time taken to resolve any such matters.

Risk Management

Risk management reports, prepared by the Group Head of Risk, were submitted to the Committee in March 2016, August 2016 and December 2016. These reports summarise submissions from all areas of the business which have been reviewed by the Enterprise Risk Management Committee with input from the Executive Committee and senior management.

They identified the principal risks to the Group, the adequacy of internal controls in place, consideration of risk appetite and in depth reviews of specific risks. In December 2016, the Audit Committee reviewed the effectiveness of the Company's overall Enterprise Risk Management ("ERM") Policy and Framework, including the generic procedures for risk identification, assessment, mitigation, monitoring and reporting for the year ended 31 December 2016.

Internal Controls

During the year, the Committee monitored and reviewed the effectiveness of the Group's internal control systems, accounting policies and practices, standards of risk management and risk management procedures and compliance controls, as well as the Company's statements on internal controls, before they were agreed by the Board for this Annual Report.

The Group's internal control systems are designed to manage rather than eliminate business risk. They provide reasonable but not absolute assurance against material misstatement or loss. Such systems are necessary to safeguard shareholders' investment and the Company's assets and depend on regular evaluation of the extent of the risks to which the Company is exposed.

The Committee can confirm that the Company's systems and their effectiveness have been in place for the full financial year and up to the date on which the financial statements were approved, and are regularly reviewed by the Board.

The Committee is of the view that the Company has a well-designed system of internal control.

The Chairperson of the Committee reports any matters arising from the Committee's review to the Board following each meeting. This update covers the way in which the risk management and internal control processes are applied and on any breakdowns in, or exceptions to, these processes. There were no significant failings or weaknesses identified. These processes have been in place throughout the year ended 31 December 2016 and have continued to the date of this report.

Full details of how the business implements its risk management and controls on a Group-wide basis are set out in the section on principal risks and their management on pages x to x.

Whistleblowing and Fraud

DP World's Whistleblowing Policy, which supports the Group-wide Code of Conduct, is monitored by the Committee. A copy of the Group's Code of Conduct is available on the DP World website www.dpworld.com.

The Committee received reports at each Committee meeting providing details of matters reported through the Group's international confidential telephone reporting lines which are operated internally. All matters reported are investigated and, where appropriate, reported to the Committee, together with details of any corrective action taken. The Committee also received reports at each Committee meeting providing details of fraud losses in each quarter.

External Audit

Throughout the year, the Committee monitored the cost and nature of non-audit work undertaken by the auditors and was in a position to take action if it believed that there was a threat to the auditors' independence through the award of this work.

KPMG LLP are the Company's external auditors. The Audit Committee Chairperson meets the lead audit partner before each meeting and the whole Committee meets with KPMG in private at least once a year.

The Committee has undertaken an annual review of the independence and objectivity of the auditors and an assessment of the effectiveness of the audit process, which included a report from the external auditors of their own internal quality procedures. It also received assurances from the Auditors regarding their independence. On the basis of this review, the Committee recommended to the Board that it recommends to the shareholders that they support the reappointment of the Auditors at the AGM on 27 April 2017.

Nominations and Governance Committee

Members

Mohamed Al Suwaidi
(Committee Chairman)

Robert Woods

Abdulla Ghobash

Sultan Ahmed Bin Sulayem



During 2016, the Board reviewed the membership and composition of the Committee and the following Independent Non-Executive Directors were appointed; Mohamed Al Suwaidi was appointed by the Board as Committee Chairman; and Abdulla Ghobash was appointed by the Board to be a member of the Nominations and Governance Committee.

The Committee is comprised of four members, three of whom are Independent Non-Executive Directors. The secretary of the Committee is Ritva Kassis, Group Company Secretary.

Committee Meetings

The Nominations and Governance Committee meets formally at least twice a year and otherwise as required.

Attendance at the Nominations and Governance Committee meetings is set out in the table on page 63.

2016 Activities

During the year, the Committee:

- considered the composition of the Board and recommended the appointment of three Independent Non-Executive Directors, and;
- reviewed the succession planning for the Group's executive and other senior management.

Role of the Committee

The Nominations and Governance Committee is responsible for evaluating the balance of skills, knowledge, experience and diversity of the Board and, in particular:

- recommending individuals to be considered for election at the next AGM of the Company or to fill vacancies; and
- preparing a description of the role and capabilities required for a particular appointment.

The Committee is also responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors.

As an initial stage in the Director appointment process, the Company collects and reviews potential candidates' CVs against an established set of appointment criteria, following which the chosen candidate meets with the Company's Senior Independent Non-Executive Director, as the chairman of the Nominations and Governance Committee, as well as with other Board members as appropriate. Alongside this, the Company collects detailed background information regarding the chosen candidate, including their professional experience and qualifications, through the completion of a pre-appointment questionnaire. Following the completion of this process, the candidate is put forward to the Nominations and Governance Committee for consideration. If the Nominations and Governance Committee recommends the candidate's appointment, the appointment is put to the Board for consideration and, if appropriate, approval.

The full Terms of Reference of the Nominations and Governance Committee can be found on DP World's website, www.dpworld.com.

Remuneration Committee

Members

Deepak Parekh
(Committee Chairman)

Mark Russell

Robert Woods

Mohamed Al Suwaidi



During 2016, the Board reviewed the membership and composition of the Committee and Mohamed Al Suwaidi was appointed by the Board to be a member of the Remuneration Committee.

All members of the Remuneration Committee are Independent Non-Executive Directors. The secretary to the Committee is Ritva Kassis, Group Company Secretary.

Committee Meetings

The Remuneration Committee meets formally at least twice a year and otherwise as required.

Attendance at the Remuneration Committee meetings is set out in the table on page 63.

2016 Activities

During the year, the Committee:

- reviewed the cash allowances, salary structures and total remuneration competitiveness of DP World's Executive Directors and senior management;
- reviewed the Company's Performance Delivery Plan and Long term Incentive Plan design and rules; and
- reviewed the performance against objectives of Executive Directors and senior managers.

Role of the Committee

The Remuneration Committee determines and agrees with the Board the framework and broad policy for the remuneration of the Group Chief Executive Officer and Group Chief Financial Officer and other members of senior management.

The Committee's policy is to review remuneration based on independent assessment and market practice.

The remuneration of Independent Non-Executive Directors is a matter for the Chairman and executive members of the Board. No executive is involved in any decisions as to their own remuneration.

The Remuneration Committee's responsibilities include:

- reviewing and providing the Board with a recommendation for a suitable remuneration framework for the Company;
- monitoring the level and structure of remuneration for senior management and recommending adjustments where appropriate;
- keeping under review its own performance, constitution and Terms of Reference; and
- considering other matters as referred to it by the Board.

The full Terms of Reference of the Remuneration Committee can be found on DP World's website, www.dpworld.com.

Corporate Governance continued

Remuneration

Executive Reward Policy

The reward policy for Executive Directors and senior management (Executive Committee and other experienced managers) is guided by the following key principles:

- business strategy support: aligned with our business strategy with focus on both short-term goals and the creation of long term value ensuring alignment to shareholders' interests;
- competitive pay: ensures competitiveness against our target market;
- fair pay: ensures consistent, equitable and fair treatment within the organisation; and
- performance-related pay: linked to performance targets via short and long term incentive plans and the pay review process.

The reward policy for Executive Directors and senior management consists of the following key components:

1. Market Benchmark:

- the target market position is between median and upper quartile on a total remuneration basis.
- For Executive Directors and senior management based in Dubai, practice and policy reflect the structure of the Dubai pay market, whilst at the same time ensuring competitiveness on an international basis. Variable pay is also reviewed and balanced against the total remuneration package; and
- DP World engages the services of Hay Group as the main provider of market information and as advisers on particular remuneration matters. This is subject to periodic review.

2. Base Salary:

- Fixed cash compensation based on level of responsibility as determined by applying a formal job evaluation methodology;
- Reflects local practice in each of the geographies in which DP World operates, but is also set against common market policy positions.
- Reviewed annually on 1 April to take into account market pay movements, individual performance, relative to market on an individual basis and DP World's ability to pay.

Allowances and Benefits

- Can either be cash or non-cash elements based on level of responsibility as determined by applying a formal job evaluation methodology.
- Reflects local practice in each of the geographies in which DP World operates, but are also set against common market policy positions.
- For Executive Directors and senior management based in Dubai, cash allowances are a normal component of the package and typically cover accommodation, utility, transport and club elements in line with Dubai market practice. Benefits include providing children's education assistance, travel assistance, medical and dental insurance and post-retirement benefits.
- Reviewed annually to ensure that DP World remains competitive within the market place and that it continues to provide the reward mechanisms to aid retention in line with its ability to pay.

Incentive Plans

The Company has adopted a short term performance delivery plan and a long term incentive plan for its Executive Directors and senior managers. Details of these plans are outlined below.

	Description of Plan	2016 Implementation
Performance Delivery Plan ("PDP")	<p>Cash-based incentive plan to motivate, drive and reward performance over an operating cycle of one year.</p> <p>The PDP combines business financial performance and individual performance objectives. Levels of awards, financial and personal measures and weightings will vary depending on the individual's role, geography and level of responsibility. For individuals outside the Executive Directors and senior management category, the principle is then typically cascaded throughout the terminals' organisational levels in line with local policies.</p> <p>Appropriateness of the levels of awards, financial and personal measures and weightings are reviewed on an annual basis to ensure they continue to support our business strategy.</p> <p>Payment is in cash and is expected to be made in April each year for performance over the previous financial year, subject to review and sign-off by the Remuneration Committee.</p>	<p>The PDP for the financial year ended 2016 (award to be paid in 2017) and 2015 (award paid in 2016) is worth a maximum of 75% of annual base salary. It is made up of two components; a financial component worth 70% of the overall award value and a personal component worth 30% of the overall award value.</p> <p>The financial component is based on performance assessed against a budgeted Profit After Tax measure. Payout on the financial component is triggered if the Company achieves 95% of its target. Maximum payout on the financial component will occur if the Company achieves 105% of its target. The payout for performance between the 95% and 105% of target is on a straight-line basis.</p> <p>The personal component is based on performance assessed against Specific, Measurable, Achievable, Relevant and Timebound ("SMART") objectives. The objectives are particular to each individual role and can include financial based objectives and more qualitative ones.</p>

Description of Plan	2016 Implementation
<p>Long term Incentive Plan ("LTIP")</p> <p>Cash-based rolling incentive plan to motivate, drive and reward sustained performance over the long term operating cycle of three years.</p> <p>The LTIP reflects business financial performance only. Levels of awards, financial measures and weightings will vary depending on the individual's role, geography and levels of responsibility. In addition to the Executive Directors and senior managers, employees performing the top 100 jobs (as determined by job size) are also eligible to participate in the LTIP in line with the same financial metrics as described for Executive Directors and senior managers with varying levels of award in line with their job size.</p> <p>Appropriateness of the levels of awards, financial measures and weightings are reviewed on an annual basis to ensure they continue to support our business strategy.</p> <p>Payment is in cash and is expected to be made in April each year for performance over the previous three financial years, subject to review and sign-off by the Remuneration Committee.</p>	<p>The LTIP for the 2014 – 2016 (award to be paid in 2017), 2015 – 2017 (award to be paid in 2018) and 2016 – 2018 (award to be paid in 2019) performance cycles is based on performance over three years assessed against two budgeted measures with 70% of the award linked to a Return On Capital Employed measure and 30% linked to an Earnings Per Share measure.</p> <p>The LTIP for the cycles described above is worth a maximum of 100% of average annual base salary for the Executive Directors and the Chief Operating Officer and a maximum of 75% of average annual base salary for other senior managers.</p>

Executive Directors' Service Contracts and Remuneration as at 31 December 2016

As mentioned above, the Executive Directors' remuneration structure follows the market practice in the UAE, and all payments are made tax-free reflecting the UAE's status.

Each of the Executive Directors is employed pursuant to a service agreement.

Sultan Ahmed Bin Sulayem

Sultan Ahmed Bin Sulayem's service agreement is with DP World FZE (a subsidiary of the Company). It can be terminated on six months' notice by either party. In addition, DP World FZE can terminate the agreement, without notice, on payment of six months' base salary.

Sultan Ahmed Bin Sulayem is entitled to receive a base salary and certain other benefits under his service agreement.

His total remuneration for the year ended 31 December 2016 (which includes his base salary and these other benefits) was \$1,515,326.

Yuvraj Narayan

Yuvraj Narayan's service agreement is with DP World FZE. It can be terminated on six months' notice by either party. In addition, DP World FZE can terminate the agreement, without notice, on payment of six months' base salary.

Yuvraj Narayan is entitled to receive a base salary and certain other benefits under his service agreement.

He was also granted a Performance Delivery Plan award of 75% (out of a maximum of 75%) for performance linked to the 2015 financial year and a Long term Incentive Plan award of 99.57% (out of a maximum of 100%) for performance linked to the 2013 – 2015 cycle.

His total remuneration for the year ended 31 December 2016 (which includes his base salary and these other benefits) was \$1,632,664.

Post Retirement Benefits

Sultan Ahmed Bin Sulayem participates in the Government pension scheme in accordance with local labour law. Yuvraj Narayan participates in an end-of-service benefit scheme in accordance with local labour law.

Corporate Governance continued

Remuneration continued

Non-Executive Directors' Letters of Appointment and Fees

The Non-Executive Directors do not have service contracts with the Company. Their terms of appointment are governed by letters of appointment. The Company has no contractual obligation to provide any benefits to any of the Non-Executive Directors upon termination of their Directorship.

Each Non-Executive Director's letter of appointment is with the Company and is envisaged to be for a period of three years, subject to annual reappointment by the shareholders at each AGM. It can be terminated on six months' notice by either party.

For the year ended 31 December 2016, the fees and other remuneration payable to each of the Non-Executive Directors, which includes remuneration for their services in being a member of, or chairing, a Board Committee, are set out below:

- Deepak Parekh received a Non-Executive Director fee of \$214,746.00¹²
- Robert Woods received a Non-Executive Director fee of \$131,047.00
- Mark Russell received a Non-Executive Director fee of \$131,047.00¹³
- Abdulla Ghobash received a Non-Executive Director fee of \$103,258.00
- Nadya Kamali received a Non-Executive Director fee of \$132,482.00
- Mohamed Al Suwaidi received a Non-Executive Director fee of \$122,935.00

During the financial year ending 31 December 2106, Non-Executive Vice Chairman, Jamal Majid Bin Thaniah, was not remunerated by the Company.

Interests In Shares

The following is a table of the Directors' and Senior Managers' shareholdings:

	\$2.00 ordinary shares held as at 1 January 2016	\$2.00 ordinary shares held as at 31 December 2016	Change
Mohammed Sharaf (retired 27 January 2016)	28,221	28,221 ¹⁴	–
Yuvraj Narayan	13,864	13,864	–
Mohammed Al Muallem	4,712	4,712	–
Robert Woods	2,700	2,700	–

¹² This figure includes a fee for serving on the Board of Economic Zones World FZE, a DP World Limited subsidiary company.

¹³ Mark Russell has waived the fees due to him for the period 1 April 2016 to 31 December 2016 in full. An amount equivalent to these fees will be donated to the Cardinal Hume Centre, UK registered charity number 1090836.

¹⁴ As at 27 January 2016.