OUR PURPOSE
WE MAKE TRADE FLOW, TO CHANGE WHAT’S POSSIBLE FOR EVERYONE

By expanding our logistics touchpoints across the world, we took one step closer to our vision to lead the future of world trade.
**FINANCIAL HIGHLIGHTS**

**Revenue (US$ million)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$17,127m</td>
<td></td>
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</tbody>
</table>

Revenue is in US$ million before separately disclosed items. The results of the Group are set out in detail in the Consolidated Financial Statements and accompanying notes commencing on page 95.

**Adjusted EBITDA (US$ million)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>US$5,014m</td>
<td></td>
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</tbody>
</table>

Growing adjusted EBITDA (Earnings Before Interest, Tax, Depreciation and amortisation) is a key measure of value delivered to shareholders. Adjusted EBITDA is calculated including our share of profit from equity accounted investees before separately disclosed items.

**Profit attributable to owners (US$ million)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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</thead>
<tbody>
<tr>
<td>US$1,438m</td>
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</tbody>
</table>

Profit attributable to owners of the company is before taking separately disclosed items into account and after minority interest.

**Adjusted EBITDA Margin (%)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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<tbody>
<tr>
<td>29.3%</td>
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</table>

**OPERATIONAL AND STRATEGIC HIGHLIGHTS**

**New Partnerships**

We added two new partners in Jebel Ali with global investors – Caisse de dépôt et placement du Québec (CDPQ) and Hassana Investment Company (Hassana) – strengthening our balance sheet to meet our long-term growth and end-to-end supply chain strategy objectives.

**Launch of DP World Foundation**

We launched the DP World Foundation to streamline our local, regional, and international humanitarian initiatives and support causes associated with health, education, and food.

**Introduction of a Power Lane**

Combining the strengths of our Maputo container terminal, Unifeeder’s direct sailing services, and Imperial’s market expertise – we linked three key regions with a trade power lane – Africa, Middle East and the Subcontinent to connect South African citrus farmers to the world.

**Logistics of the World**

In February, we fully acquired Imperial Logistics to enhance our global logistics capability and provide end-to-end supply chain solutions, in Africa and beyond.

**Introducing our 100,000th Employee**

We introduced our 100,000th employee – Fatima Alburaimi, a Technical Programme Engineer based in Dubai.

**Decarbonisation: Towards Net Zero**

To support our decarbonisation efforts, we expanded the coverage of our carbon emissions reporting. We now report seven additional categories under Scope 3 emissions reporting.

**182 Days of Expo 2020 Dubai**

We concluded Expo 2020 Dubai this year by sharing our vision for global trade with more than a million people, government delegations from key markets, connecting with presidents, prime ministers and ministers from priority markets and signing 76 agreements.

**First Ever Global Freight Summit**

We hosted our first Global Freight Summit this year with the theme – “Better Information Builds Better Connections”. We invited C-Suite executives and other senior decision-makers from the freight forwarding and logistics industry to come together for three days to hear from influential speakers and network with peers, with a focus on how we can tackle the supply chain’s greatest challenges and biggest opportunities.
WHAT WE DO AND WHERE WE OPERATE

With a vision to lead the future of world trade, we are working towards providing end-to-end supply chain solutions for our customers and partners. Our dedicated, diverse, and professional team of more than 103,000 employees from 75 countries are committed to bringing every customer and partner unrivalled value.

We build long-lasting relationships with governments, shippers, traders, and other stakeholders along the global supply chain. This allows us to think ahead, anticipate change, and deploy industry-leading technology to create the smartest, most efficient, and innovative trade solutions while ensuring a positive and sustainable impact on economies, societies, and our planet.
Biopolitical tensions, reshoring by manufacturers and producers, and the impact of monetary policies on the globalised world were just some of the major challenges that the trade industry faced in 2022.

Yet hard days make you stronger and dreams can come true if we dare to pursue them. Subsequently, we have made strong progress despite the challenging environment and it has helped shape the evolution of our business. Our resilience became the defining feature in our determination to transform our business into an integrated logistics business providing supply chain solutions to our customers, partners and all our stakeholders.

Shortly after acquiring syncreon in late 2021, we fully acquired Imperial Logistics in February 2022. This move extended our global footprint, particularly in Africa and cemented our end-to-end logistics capability. Major transformations to link all our assets – physical, digital and human – in pursuit of this ambition are now underway.

We have also expanded our reach in developing markets. Logistics infrastructure opens untapped domestic and international trade opportunities, grows economies and makes goods more affordable. Investing in developing economies, not only helps global trade go further, but it also facilitates economic growth, attracts foreign investment and generates thousands of jobs – raising the quality of life for everyone and changing what is possible.

The year began with the first stone being laid at the Port of Ndiiyane, Senegal, representing the beginning of our US$1 billion investment. This is our largest port investment in Africa and the largest single private investment in the history of Senegal. Our existing best-in-class infrastructure in the country has already been credited with stimulating a 10% lift in Senegal’s GDP growth. This will reinforce its position as a trade hub in West Africa and further the nation’s development through the next century.

Hot on the heels of our project in Senegal, we progressed with our expansion plans in Angola and Portland (Slovenia), and expanded the capabilities of operations in Caucedo, Dominican Republic. Our Callao Port expansion in Peru will create one of the biggest single terminals in South America once it is completed in 2023.

Over the 182 days of Expo 2020 Dubai, we shared our vision for global trade with more than a million people. It allowed us to showcase Dubai as a world leading trade hub, and our Flex Pavilion became a living showcase of the successes built by our commitment to innovation to keep trade flowing. It brought opportunities to create future economic growth for communities around the world. We were able to engage with government delegations from key markets around the world, connecting with presidents, prime ministers and ministers from priority markets and signing 16 agreements.

Expo 2020 Dubai also provided a platform to highlight our commitment to sustainability. Over 7,000 students and 356 school groups participated in our school’s education programme and we also welcomed HH The Prince of Wales at the first-ever “Earthshot Prize Innovation Showcase”. As a founding partner, we announced a landmark investment of £1 million to pilot two nature-based solutions – a pilot land based coral farm for reef restoration in the Middle East and a marine infrastructure enhancement initiative to benefit native sea life at Port Callao in Peru.

One of our key priorities in 2022 was to broaden our partnerships, strengthen our balance sheet and drive long-term value. Our collaboration with our partners to make the most of complementary expertise and long-term thinking has been an integral part of our success.

We enhanced our relationship with India’s National Infrastructure Investment Fund (NIIF) to include our flagship India ports platform, which will raise approximately US$300 million. We also created a new investment platform with the British International Investment Group to accelerate investment in Africa and unlock its trade potential.

We also welcomed two new partners with minority stakes at our flagship assets in the UAE (Jebel Ali Port, Jebel Ali Free Zone and National Industries Park) raising US$7.4 billion. Our agreements with Canadian investment fund “CDPF” and Saudi Arabia-based “Hassana” allowed us to reduce our net leverage and strengthen our balance sheet. This will ensure we can enhance our UAE assets and capture the wider region’s significant growth potential.

The resilience of our business, the diversity of our portfolio and the continued focus on supply chain solutions will support our end-to-end strategy, which will drive sustainable value for all our stakeholders.

We remain committed to strengthening and enhancing our focus on sustainability. We are very proud that we have either maintained or improved our sustainability scores from some of the leading international sustainability rating agencies.

As our footprint has grown, we have evolved to focus more on our future legacy and long-term imperative. We recognise the impact of climate change and are taking prudent steps to mitigate our impact on the environment. Over the next five years, we will invest up to US$500 million across our business to cut CO2 emissions by nearly 700,000 tonnes as we strive to meet our target of becoming net zero by 2050.

Finally, and a particularly personal highlight, is the launch of the DP World Foundation, which will allow us to carry out our humanitarian initiatives as we look to build towards a sustainable future. We have always made great efforts to support the communities where we operate. The Foundation will document and organise this work through an accredited institution to streamline those endeavours and deliver assistance to those who need it most in the quickest time.

The challenges of 2022 have helped DP World evolve and grow stronger. We have employees based in every continent and our numbers now exceed over 100,000 for the first time. Our people are our most valued strength. They are the driver for our shared vision of making trade flow. Now it is time to look forward to 2023 – together we can build on our success for the world of today and the world of tomorrow.

SULTAN AHMED BIN SULAYEM
GROUP CHAIRMAN AND
CHIEF EXECUTIVE OFFICER
21 March 2023
OUR YEAR IN REVIEW

We started the new year by digitising customs with the launch of CARGoES Customs – a new digital streamlined, single-window interface that will replace the traditional customs system. This system will empower customs agencies and border authorities to facilitate trade, secure global supply chains and increase compliance.

We joined forces with Mariak Mc-Kinney Melker Centre for Zero Carbon Shipping to research and develop zero-carbon technologies and solutions.

The Maiden yacht and her all-female crew set sail on their three-year world tour, The Maiden yacht and her all-new female crew set sail on their three-year world tour, setting sail for girls’ education.

DUBUY.com expanded its 38% to 72% distribution in Botswana from its stake in PST Sales & J&J Group, and increased Africa FMCG Distribution Ltd company (African) was in the news – it for girls’ education.

as part of our partnership to raise funds for girls’ education.

On International Women’s Day, our Chairman Sultan Ahmed bin Sulayem became the first HeForShe Champion in the Middle East. HiForShe Champions are a group of ambitious leaders from across government, the corporate world, not-for-profit, and academia that are united to develop large set of scalable solutions for gender equality.

We hosted the Africa Forum at our Flow Pavilion at Expo 2020 Dubai to discuss the role of trade in unlocking Africa’s potential.

We were recognised by Sustainalytics as a top ESG Risk performer out of 4,000+ companies. We were also awarded industry and region top-rated badges for our performance.

In a strategic move to support large multinational companies to set up base in Dubai, we launched the Global Business Corporation (GBC).

We committed £1 million (£500k each) to scale two Earthshot Oceans Finalists’ solutions.

We completed the acquisition of Imperial Logistics (Imperial) by taking a 100% stake.

We announced a US$5 billion investment in three of our flagship UAE assets – Jebel Ali Port, Jebel Ali Free Zone, and National Industries Park. This announcement was made in conjunction with CDPQ.

Our Southampton Port became the first in Britain to replace diesel with hydro-treated vegetable oil (HVO) in its operations and cutting net emissions by over 80%.

We announced the development of Jeddah Logistics Park, a 415,000 square metre port-centric Logistics Park at the Jeddah seaport. This announcement was made in conjunction with Saudi Ports Authority (Mawani).

We partnered with Lin-Gang Special Area Development Corporation (GBC).

We launched the DP World Foundation to support causes associated with health, education, and food on local, regional, and international levels.

We won the prestigious “Best Logistics Technology & Cold Chain Delivery” award at this year’s Vaccine Industry Excellence Awards in Washington DC.

The first batch of female Solar Engineers from Senegal graduated after a six-month training course run by our partnership with Barefoot College International (BCI). Now fully qualified, these ten graduates, lovingly known as “Solar Mamas” can install, maintain and repair solar powered infrastructure in their local communities that suffer from electricity shortages.

We expressed our intention to explore the Metaverse to solve real-world supply chain challenges.

In July, Imperial Logistics (Imperial) company was in the news – it acquired controlling stakes in Africa FMCG Distribution Ltd and J&B Blinds, and increased its stake in PST Sales & Distribution in Botswana from 38% to 72%.

Our e-commerce platform, DUBUY.com, expanded its Africa footprint by launching in Ghana and Zambia.

A new coastal service for the UAE, a new coastal service for the UAE, expanded the connectivity of Jebel Ali to other ports around the country.

Among our new initiatives was the announcement of the first ten graduates in a new training initiative to equip women with skills in solar-powered infrastructure. The training is designed to increase the number of women working in the renewable energy sector in the UAE.

Ai An Farms, a leading dairy and poultry company in the UAE, joined DUBUY.com to enter new territories and serve new markets such as Kenya, Tanzania, Rwanda, Ghana, and Zambia through our global logistics network.

We also celebrated moving the top ten million container at London Gateway. The milestone represents an increase of almost 60% compared with the same period of 2019.

We committed £1 million (£500k each) to scale two Earthshot Oceans Finalists’ solutions. The solutions included a pilot land-based coral farm for reef restoration in the Middle East and a marine infrastructure enhancement initiative to benefit native sea life at Port Callao in Peru.

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In a strategic move to support large multinational companies to set up base in Dubai, we launched the Global Business Corporation (GBC).

We celebrated adding more than 23,000 nautical miles of new trade routes – connecting the Americas, Europe, Asia, and the Middle East through our global network of rail, roads, sea, and port services.

Our Marine Services division introduced a new coastal service for the UAE, expanding the connectivity of Jebel Ali to other ports around the country.

A new coastal service for the UAE, a new coastal service for the UAE, expanded the connectivity of Jebel Ali to other ports around the country.

The combination of American’s global infrastructure and strategic customer relationships and our global port infrastructure and end-to-end logistics solutions, we can achieve unprecedented optimisation of global food flows.

We celebrated the milestone of our 100,000 th employee globally – Fatima Alburaimi, a Technical Programme Engineer in Dubai.
### STRATEGIC REPORT

**Market Overview**

**Macro-Economics – A Sharper-Than-Expected Economic Slowdown**

Carry on up the trend of the latter part of 2021, global economic growth continued to weaken and came under more pressure as the year progressed. A cost-of-living crisis, caused by persisting and broadening inflation pressures, China’s deferred demand amid COVID-19 related lockdowns, and the war in Ukraine, drove a sharper than expected slowdown of global economic activity. Monetary tightening and higher interest rates introduced by the US Federal Reserve and other Central Banks to calm inflation impacted economic growth and expansion. Global GDP grew 3.4% in 2022, driven by emerging markets and developing economies growth of 10% and 60% respectively. The Emerging Asia and Middle East economies grew at 3.4% in 2022, which is down from 8.6% growth in 2021.

**World Port Handling**

Demand started to change mid-year amid a shift back to services and heightened global economic concerns. By the beginning of the fourth quarter, the global slowdown had steepened, as both manufactured and services demand fell precipitously, and output contracted globally. Rate declines accelerated as business sentiment cooled and global import demand weakened. The slowdown and subsequent leaving of congestion did, however, provide relief to overstocked supply chains.

**Logistics – Demand for Logistics Slows Following Bumper 2021**

Following a bumper 2021 with demand for logistics services growing by more than 3% in the year, growth slumped in 2022 as the global economy slowed.

The global freight forwarding market is expected to decline by 2.7% in 2022, with China and Russia’s heavyy contributes to the softening of demand. Demand in China is expected to be down by almost 7% in 2022 due to continued COVID-19 related lockdowns, while logistics demand in Russia is forecast to be more than 20% lower due to the war.

The more stable contract logistics market is forecast to show growth of 3.9% and a 2.7% increase in advanced economies.

**Port Overview**

Port volumes totalled 859.2 million TEU. Containers were hit hard, recording a 3.3% drop, not only due to cooling demand, but also due to rising costs and lower margins. In the prior year, as disruptions to supply chains from COVID-19-related lockdowns impacted manufacturing and exporting centres. These ships then had to be repositioned to the US West Coast since mid-2022, leading to a 20% lower rate.

**Logistics – Demand for Logistics Slows Following Bumper 2021**

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**Global Port Handling Growth (Including Empty and Transshipment) (1/2021)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>5.2%</td>
<td>5.2%</td>
<td>2.6%</td>
<td>0.1%</td>
<td>-0.1%</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

**Global Port Handling Growth Including Empty and Transshipment Increase (1/2021)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
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<td>6.2%</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
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<th>2020</th>
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</tr>
</thead>
<tbody>
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<td>5.2%</td>
<td>2.6%</td>
<td>0.1%</td>
<td>-0.1%</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

**Key Trends and Impacts**

**Freight Rate Collapse in H2 and Diminishing Ocean Freight Profitability**

Spot rates in January 2023, SCF index dropped and were down 19% by the end of the year, which is down 24% above the pre-pandemic rate average. This has put long-term contract rates under pressure and forced carriers to provide temporary rate discounts and renegotiate existing contract rates. Carriers resumed their fight for volume by the end of the year, as consumer demand declined, rather than engaging in structural capacity management.

**Improving schedule reliability and easing port congestion schedule**

The rate decline has seen liner profitability drop around 40-50% in the last quarter, compared to Q3 2022. A further profit downgrade was invoiced for 2023.

**Systemic initiatives to protect revenues & rates**

Pressure on pricing power has been limited and DP World reported revenues ahead of volume growth during the year. Some of these revenue increases were driven by market condition-specific elements, like storage, but the foundations were laid for adequate compensation for cost escalation. DP World’s revenue margin increased to 5%.

To offset cost increases, variable elements have been factored into contract pricing clauses, including CPI, which will provide some protection against rising inflation.

New revenue opportunity trends are also being pursued to enhance earnings and mitigate cost increases.

**Global Supply Chain Disruption and the Impact of the Russia-Ukraine War**

Global supply chain disruptions persist as the Russia-Ukraine war continues. Severe flooding and operating ghost loops, where only some of a service’s calls are achieved, is expected to increase forward and could potentially lead to permanent capacity reductions. This may affect operations and costs for ports and terminals.

To offset these disruptions and higher costs, DP World introduced recovery mechanisms in some locations, when yearly minimum vessel calls are not achieved.

At the same time, DP World’s partnership with shipping lines to improve operational efficiencies and boost vessel schedule reliability.

**Key Regions**

**North America**

The region was severely affected by the Russia-Ukraine war, which led to a steep rise in energy costs and sanctions against Russia. Fuel costs, container shipping and industrial economic relations worsened throughout Europe and the US, and the US West Coast slowed further, with 2021 market volume falling by 2.8%.

**Europe**

The region was severely affected by the Russia-Ukraine war, which led to a steep rise in energy costs and sanctions against Russia. Fuel costs, container shipping and industrial economic relations worsened throughout Europe and the US, and the US West Coast slowed further, with 2021 market volume falling by 2.8%.

**Asia Pacific & Oceania**

Greater China through increased 3.3% in 2022, driven by the strengthening of balanced schedules. Singapore spent on profits on logistics assets, with port investment featuring heavily. MSC acquired Bolloré Africa Logistics in 2022, gaining control of all Bolloré’s shipping, logistics and terminal operations in Africa, and terminal operations in India, Haiti and Timor-Leste. Hapag Lloyd expanded its terminal investments, including the acquisition of SAAM Ports and Logistics to gain control over the operations in Taiwan that contributed towards liner consolidation by taking ownership of DA.

At the same time, rich and domestic carriers that expanded their networks into main trades during the boom in 2021, have almost all retraced as they struggled to overcome competitive, whilst the bulk of main carriers expanded their capacity in 2020. MSC grew the most in TEU terms and has an orderbook of 1.73M TEU, more than the total capacity of the sixth-ranked container line Evergreen.

**Value Proposition**

The large origin and destination footprint, and presence in key markets like Vietnam, Malaysia and Thailand, India is also set to become a key beneficiary of these supply chain changes. A variation on that theme moves companies� relocating manufacturing from Asia and sourcing it the US-Mexico border. For pan-European markets, Turkey offers production alternatives.

**Talk of re-sharing is turning into action**

Global supply chain disruptions and rising costs are driving the diversification of manufacturing and -re-shoring of production networks. As a result, new manufacturing facilities, including chip factories and aluminium and steel plants, are under construction in the US, and Europe introduced the EU Chips Act to support the set-up of semiconductor manufacturing. At the same time, diversification from China for a “China plus 1 strategy” will benefit other Asian countries, such as Vietnam, Malaysia and Thailand. India also set to become a key beneficiary of these supply chain changes. And a variation on that theme moves companies� relocating manufacturing from Asia and sourcing it the US-Mexico border. For pan-European markets, Turkey offers production alternatives.

**Systemic initiatives to protect revenues & rates**

Pressure on pricing power has been limited and DP World reported revenues ahead of volume growth during the year. Some of these revenue increases were driven by market condition-specific elements, like storage, but the foundations were laid for adequate compensation for cost escalation. DP World’s revenue margin increased to 5%.

To offset cost increases, variable elements have been factored into contract pricing clauses, including CPI, which will provide some protection against rising inflation.

New revenue opportunity trends are also being pursued to enhance earnings and mitigate cost increases.

**Strategic Report – Summary**

### Key Takeaways

- The demand forecast for 2023 is for a very single digit growth, with contract logistics expected to grow by 3.5% and freight forwarding by 7.7%, with China expected to return to some normalisation.
- World port handling saw suffering demand at the start of the year gave way to consumers pausing discretionary spending, resulting in port handling decreasing the year at the same level as 2021. Port volumes totalled 859.2 million TEU.
- The market for logistics services is forecast to show growth of 3.9% in 2022, driven by emerging markets and developing economies growth of 10% and 60% respectively. The Emerging Asia and Middle East economies grew at 3.4% in 2022, which is down from 8.6% growth in 2021. Port volumes totalled 859.2 million TEU.
- The regional was severely affected by the Russia-Ukraine war, which led to a steep rise in energy costs and sanctions against Russia. Fuel costs, container shipping and industrial economic relations worsened throughout Europe and the US, and the US West Coast slowed further, with 2021 market volume falling by 2.8%.
- The region was severely affected by the Russia-Ukraine war, which led to a steep rise in energy costs and sanctions against Russia. Fuel costs, container shipping and industrial economic relations worsened throughout Europe and the US, and the US West Coast slowed further, with 2021 market volume falling by 2.8%.
- A key trend for 2023 is for a very single digit growth, with contract logistics expected to grow by 3.5% and freight forwarding by 7.7%, with China expected to return to some normalisation. World port handling saw suffering demand at the start of the year gave way to consumers pausing discretionary spending, resulting in port handling decreasing the year at the same level as 2021. Port volumes totalled 859.2 million TEU.
BUSINESS MODEL

WE ARE COMMITTED TO SUSTAINABILITY AND RESPONSIBLE CORPORATE CITIZENSHIP WITHIN OUR BUSINESS MODEL.

WE MAKE TRADE FLOW BY:

CUSTOMER RELATIONSHIPS AND OPERATIONAL EXCELLENCE
• Customer satisfaction is central to our success.
• We strive for excellence and operational efficiency.

PEOPLE, CULTURE, AND SAFETY
• Training and development programmes for employees and supply chain through The Hub, our global centre of excellence for learning, leadership, and talent management.
• Our Principles sit at the core of our diverse and innovative culture and drive our behaviours.
• We are fully committed to our people’s well-being and promoting a culture of safety.

COMMUNITY AND ENVIRONMENT
• We are committed to changing what’s possible for everyone through our sustainability strategy, “Our World, Our Future”.
• Driving best practices and fostering innovation in sustainability to build a vibrant, secure, and resilient society.

FINANCE, GOVERNANCE, AND RISK
• Deliver the highest standards of ethical behaviour.
• Robust risk management framework in place.
• Solid risk management that maintains our leading position in the industry.

TECHNOLOGY AND INNOVATION
• Delivering a best-in-class experience for customers through technology and innovation which sets us apart and is transformative in terms of performance, using big data and analytics, robotics, and artificial intelligence.

OUR PRINCIPLES
There are five principles that are fundamental to the success of our organisation. Our Principles are central to every decision we make and are the foundation of our culture.

For more on Our Principles, see page 55.

WE CHANGE WHAT’S POSSIBLE FOR EVERYONE:

WE DELIVER VALUE THROUGH:

ENVIRONMENT
• Climate change
• Water

SOCIAL
• Wellness
• Community engagement
• People development
• Women
• Education

GOVERNANCE
• Safety
• Security
• Ethics

SUSTAINABILITY STRATEGY
Our sustainability strategy implements the use of “Our World, Our Future” as a guide to working responsibly and sustainably.

It helps us prioritise sustainable and inclusive economic growth while creating a positive impact for the people, communities, and environments in which we operate.

Annual Report and Accounts 2022
1. OFFER END-TO-END SUPPLY CHAIN SOLUTIONS TO CARGO OWNERS

- We have a clear focus on offering end-to-end supply chain solutions to cargo owners, with the goal of enhancing efficiency, transparency, and resilience in the supply chain. To achieve this objective, we rely on our extensive global platform and proprietary technology solutions.
- Our end-to-end supply chain solutions span from a wide range of services, including transportation, warehousing, and other value-added services. By leveraging our global network, we can offer our customers seamless and integrated services that can facilitate faster and more reliable cargo movement.
- Our proprietary technology solutions enable us to optimise operations, improve visibility, and streamline communication with customers. These technological tools help us to enhance efficiency, reduce costs, and mitigate risks in the supply chain, providing customers with a competitive advantage in the global marketplace.

2. BROADEN CAPABILITIES AND OFFER SUPPLY CHAIN SOLUTIONS TO A WIDER AUDIENCE

- We are committed to expanding our logistics capabilities across air, ocean, rail, and road transportation to offer a more comprehensive range of solutions to a wider audience. This strategy involves serving cargo owners across different verticals and geographies, particularly in growth markets. We are focused on building new trade lanes to improve connectivity for our customers, enabling faster and more efficient cargo movement.
- By expanding our capabilities and offerings, we aim to provide a complete suite of solutions that can cater to the evolving needs of cargo owners worldwide. This will help strengthen our position as a leading provider of end-to-end supply chain solutions, offering a variety of transportation options that can cater to the unique requirements of different industries and sectors.

3. CONTINUE TO INVEST IN ORIGIN-DESTINATION FOCUSED PORT LOCATIONS

- We plan to continue our investment in port locations that are focused on origin and destination to enhance our offerings to cargo owners. This strategy involves expanding container capacity in key origin and destination ports, in both emerging and developing markets, to meet the growing demand for efficient and reliable cargo movement.
- In addition to serving cargo owners, we also aim to provide better services to shipping line customers. This involves offering capacity in key growth markets and implementing automation to increase operational efficiency. By investing in origin and destination focused port locations, we can offer a comprehensive range of services to both cargo owners and shipping line customers, enhancing our position as a leading global provider of cargo solutions.

2022 ACTIVITY

- Our Marine Services division introduced a new coastal service for the UAE connecting the IBD Al Hub to other parts around the country using multi-carrying vessels (MCCVs) that can bypass congestion by calling at smaller berths.
- We partnered with Atlanta-based Americold, a global leader in temperature-controlled warehousing and logistics, to support the world’s largest food companies with a new standard in global distribution.
- We signed a lease with UAE-based food producer IFFCO to develop a 300,000 square feet edible oil packing plant at our economic zone in Barbera, Somaliland.
- Our recent acquisition, Imperial Logistics took controlling stakes in Africa FMCG Distributions Ltd and J&J Group to provide more logistics-based solutions to our customers.
- Completed our first industrial park in South Carolina, USA offering users a strategic, inland, and rail-served platform with close port proximity to industrial development.
- We began construction at two of our facilities – a temperature-controlled warehouse in our economic zone at the Dominican Republic and JATFA Logistics Park in Dubai, UAE – to accommodate the growing number of warehousing, processing and logistics activities carried out in the Emirates.

2023 OUTLOOK

- To position ourselves as a leading global provider of end-to-end logistics solutions.
- To continue to be a trusted global brand that can be relied on by our customers and to recruit, retain and enhance the skills of our best talent.
- Continue to expand through acquisitions and partnerships to diversify our revenue base and engage directly with cargo owners.
- To focus on digitally led solutions that connect our physical infrastructure to efficient digital platforms reaching directly to the cargo owners.

KPIs and Risks

- We launched a new intermodal train service connecting our container terminals at London Gateway and Southampton that will boost the resilience of our customers’ supply chains.
- We introduced a new streamlined, single-window interface that will replace the traditional customs system. It will enable customs agencies and border authorities to facilitate trade, secure global supply chains and increase compliance.
- We announced the development of a new Ro-Ro (roll-on, roll-off) terminal at our port in Constanta, Romania which will become one of the most important cargo and vehicle hubs on the Black Sea.
- We hosted the Africa Forum at our DP World Flow Pavilion at Expo 2020 Dubai to discuss the role of trade in unlocking Africa’s potential.
- We launched Global Business Corporation (GBC) in a strategic move to support large multinational companies enhancing their operating models to set up a base in Dubai.

Diversity services to connect different points on trade routes to maximise customer benefits.
- Expand our logistics reach to provide a complete suite of trade solutions that strengthen our position as a global and to-end supply chain solutions provider, especially in developing markets.

- To focus on digitally led solutions that connect our physical infrastructure to efficient digital platforms reaching directly to the cargo owners.
- To position ourselves as a leading global provider of end-to-end logistics solutions.
- To continue to be a trusted global brand that can be relied on by our customers and to recruit, retain and enhance the skills of our best talent.
- Continue to expand through acquisitions and partnerships to diversify our revenue base and engage directly with cargo owners.
- To focus on digitally led solutions that connect our physical infrastructure to efficient digital platforms reaching directly to the cargo owners.
South Africa plays a major role in the popular and the widely produced global citrus market and based on production volumes and global demands, the region was the world’s second-largest citrus exporter in 2020. Its six-month citrus season produces over 10,000 FEUs (forty-foot equivalent units) containers worth of fruits.

With our business transformation and series of strategic acquisitions over the years, we’re fully equipped to provide citrus farmers with a key trade gateway from South Africa to the world.

Our Maputo container terminal serves as an access point for many businesses exporting cargo to the world, thanks to its strategic position close to the many industrial areas of South Africa and its road and rail connections.

The newly launched services from our subsidiary, Unifeeder, connects three key regions directly – Africa, the Middle East, and the subcontinent – allowing BCOs that sell perishables like citrus to get competitive advantages by making their cargo reach their destinations faster. Unifeeder understands product needs and provides optimised solutions that fit budgets and schedules.

Agricultural logistics are key to improving food security, improving cost efficiency, and reducing food wastage. The sector is a major source of employment and plays a key role in the regional economy which means it brings big savings on time and money for local farmers with access to international markets all with one trade solutions provider.
2022 has been a great year where we’ve made strides in the key focus area of women empowerment, which sits under our sustainability strategy – “Our World, Our Future”. Our strategy aligns with the United Nations Sustainable Development Goals. It is embedded into everything we do so make a positive difference in the communities where we live and work in.

MAIDEN’S NEW TOUR
We became the title sponsor of the iconic yacht – Maiden in 2021. 2022 saw Maiden and her all-female crew set sail on a three-year world tour. The iconic yacht left Dubai on her 90,000nm journey, skippered by the legendary Marie-Claude Kieffer. Maiden’s vision is – “A world where every girl has access to 12 years of quality education; empowering them to choose their future and fulfil their dreams”.

During the new 2021-2024 World Tour covering port locations of Dubai, Palma, Miami, Brooklyn-NY, Senegal, South Africa, and Maputo, among many others; there will also be a focus on encouraging girls into Science, Technology, Engineering, and Mathematics (STEM) subjects, increasing their life and career choices.

HEFORSHE CHAMPION
On International Women’s Day, our Chairman Sultan Ahmed bin Sulayem became the first HeForShe Champion in the Middle East. HeForShe Champions are ambitious leaders from across government, the corporate world, and the not-for-profit sector to develop scalable solutions for gender equality.

“I am personally committed to making a positive impact that increases female representation, eliminates skills shortages and advocates for the diversity agenda.”

SULTAN AHMED BIN SULAYEM
GROUP CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF DP WORLD

SOLAR MAMAS OF SENEGAL
In 2022, we saw the first batch of women from rural Senegal graduated as solar engineers through our partnership with Barefoot College International (BCI). Lovingly known as the “Solar Mamas”, these women were selected from rural areas of the Ranerou region in northern Senegal to gain knowledge, skills, and tools to run solar-powered infrastructure in their communities.

In January this year, these engineers received a presidential visit from Macky Sall, and our Group Chairman and Chief Executive Officer, Sultan Ahmed bin Sulayem, who congratulated them on their efforts and commitment to transforming their communities.

At DP World, we aim to create a positive impact for women in our industry and our communities, aligning ourselves with the United Nations Sustainable Development Goal 5.
Every year, the UAE marks Sheikh Zayed Humanitarian Day during the holy month of Ramadan as a remembrance of the great work and achievements of the late ruler, Sheikh Zayed. This year, we announced the launch of DP World Foundation, a non-profit organisation that will aim to facilitate public and privately funded initiatives locally and internationally.

“The foundation will support causes associated with health, education, and food, both on the local, regional, and international levels, in cooperation with the relevant partners. This is in line with the UAE’s Fifty-Year Charter, which includes achieving sustainable growth in humanitarian work.

Based on these values, the DP World Foundation will make a qualitative difference to the world map of humanitarian work while carrying the colours of the UAE flag. DP World has always made great efforts to support the communities in the countries where it operates. It has become necessary to document and organise this work through an accredited institution to streamline those endeavours and deliver assistance to those who need it most, in the quickest time.”

SULTAN AHMED BIN SULAYEM
GROUP CHAIRMAN AND CHIEF EXECUTIVE OFFICER
OF DP WORLD

With DP World Foundation, we aspire to change people’s lives for good and lead a positive, long-lasting impact in the community. The core values that we embrace include responsibility, innovation, and excellence.

The Foundation took the first steps towards its goals by signing a memorandum of understanding (MoU) and a partnership agreement with Dubai Customs to collaborate on any charitable work.

DP World Foundation’s first major initiative came in September when our Chairman pledged logistics support and donated US $2.5 million to UNICEF to help people in Pakistan following devastating floods. These funds were allocated towards warehousing and logistics support. We have provided expertise and resources to help the humanitarian community respond to natural disasters since signing a commitment with the Logistics Emergency Team (LET) under the World Food Program.

Working with global partners, governments, businesses, and many others, DP World Foundation will concentrate on tackling food scarcity, bringing financial sustainability, giving educational aid, and providing medical support to people and areas that most need it, to change what’s possible for everyone.
NOTHING’S IMPOSSIBLE WITH THE RIGHT KNOW-HOW

BUSINESS REVIEW — LOGISTICS

DP WORLD EXISTS TO RESHAPE GLOBAL TRADE FOR THE BETTER. BY COMBINING OUR INFRASTRUCTURE WITH OUR EXPERTISE, WE ARE CREATING STRONGER AND MORE EFFICIENT END-TO-END SOLUTIONS ACROSS OUR NETWORK. THIS MEANS SEAMLESS SUPPLY CHAINS FOR OUR CUSTOMERS

The well-documented disruptions to global supply chains in light of the pandemic and geopolitical conflict have made the delivery of goods less reliable. Businesses are looking for new and better solutions that make their logistics more efficient, agile, and stable. They want specialised local-to-global expertise that can help move goods where others cannot. Subsequently, there is a demand for partners who can provide more sustainable, cost-effective solutions to simplify complex logistics challenges.

DP World harnesses the best expertise and the most comprehensive end-to-end infrastructure in the industry – integrating best-in-class facilities, multi-modal transport solutions, digital solutions and market access capabilities into seamless end-to-end supply chains.

We are reshaping and future-proofing supply chains to be more sustainable, faster, and more cost-efficient. We do this by creating seamless ways of moving goods and creating access to new markets. We are innovative and agile in our thinking, opening trade routes to previously underserved markets and regions that unlock global trade to more parts of the world.

The integration of recent acquisitions has strengthened our proposition and reinforced our position as the leading strategic global trade partner for our customers.
Over the past year, we have completed the rebuild of our Vancouver terminal, continued to expand our Callao terminal and construction started in Senegal at the Port of Ndayane. We also successfully closed the proof of concept for Boxbay high-bay storage system and selected its primary location. Meanwhile, operations have gone from strength to strength at new sites such as Luanda, achieving significant milestones in the first full year of operations.

We continue to streamline operations, lower costs and reduce environmental impact for businesses and their customers by improving safety and efficiency at our ports.

This year, we announced our five-year decarbonisation plan and there has been a renewed focus on leveraging electrification opportunities, particularly electric terminal tractors and RTGs (rubber-tired gantry cranes). More green electricity is being used at our ports and terminals operations, with almost a fifth of electricity now coming from green sources.

The strong relationships we have built with our key customers continue, with long-term partnerships signed across our portfolio, such as the UK, Saudi Arabia, UAE, and India. These renewed connections are a testament to the confidence our customers have in us and our competitive advantage.
WHERE THE WORLD MEETS

BUSINESS REVIEW
— ECONOMIC ZONES

WE ESTABLISHED ECONOMIC ZONES AND LOGISTICS PARKS TO OFFER CUSTOMERS GREATER OPPORTUNITIES TO TRADE THROUGH OUR GLOBAL NETWORK

These unique offerings are key to unlocking seamless trade. They give our customers connectivity and an environment to shorten the supply chain and bring real cost savings.

Our footprint connects ports to the rest of the supply chain through multimodal connectivity and one-stop shops that offer real value-added services. We work with our customers to create bespoke warehousing and logistics facilities.

We help to level the playing field by investing in previously underserved nations and regions to create new market access opportunities for business while making the global supply chain more resilient.

In the last year, we completed construction on the Berbera Economic Zone, Mumbai FTWZ, Posorja Special Economic Zone, and the South Carolina Gateway Project. Agreements were also signed for the Jeddah Logistics Zone and the Sokhna Economic Zone, with several operations to begin in 2023.
NEW HEIGHTS AND DEPTHS

BUSINESS REVIEW — MARINE SERVICES

DESPITE DECADES OF GLOBALISATION, THERE ARE STILL PARTS OF THE WORLD THAT TRADE DOESN’T REACH

Our broad set of capabilities includes feeder, shortsea, ferries, railways and port services allowing us to go further – getting goods to smaller and more local destinations anywhere in the world. Because we are multimodal in our operations and global in our reach, we can create more options to move goods by sea, road, rail, and air.

Collectively, we added more than 23,000 nautical miles of new trade routes across the globe in the first three quarters of 2022, equivalent to a complete circumnavigation of the earth.

Our agility and flexibility reduce costs and improve access for consumers and businesses alike. It is also more sustainable – not only minimising the impact by getting goods onto smaller vessels or lower carbon modes but creating more resilient trade that ensures people get access to the goods they want.

Unifeeder Group, which makes up part of the Marine Services pillar, has evolved from being the best-connected feeder and shortsea network in Europe and the Mediterranean to become a global logistics company. By acquiring feeder and regional trade operators it now provides full-scale capability in Northern Africa, the Middle East and the Indian Subcontinent and Asia.

For example, Unifeeder was able to expand its market-leading direct service between Maputo, Jebel Ali and Mundra to include a Mombasa Port call. This new port call in Mombasa has reduced the transit times for goods travelling to Nairobi by two to five days because we can combine sea freight with rail freight.

We also created synergies between the marine services businesses to strengthen our performance, bringing valuable solutions to our customers and increasing market penetration in various regions. In May, for example, we created a joint venture between P&O Ferries and Unifeeder Shortsea to create P&O Ferrymasters – a single brand standing for unique intra-European multimodal transportation and logistics service.
THE GLOBAL PANDEMIC HAS FORCED THE SHIPPING AND LOGISTICS INDUSTRY TO ADOPT NEW TECHNOLOGIES TO KEEP MOVING

Digital adoption and efficiency improvements in the shipping and logistics industry have been slow for years but this changed during the COVID-19 pandemic, as the global crisis forced the sector to adopt new technologies to keep moving. Subsequently, there has been an accelerated focus to deliver the transformative benefits of digitisation at every point in the supply chain journey.

We are leading this transformation, revolutionising all aspects of global trade through innovative technology solutions that make it easier to finance shipments, expand markets and geographies and make the shipping journey more visible, agile, and resilient.

We have created a suite of digital products and services designed specifically to meet the challenges of the supply chain, combining the agile mindset of the technology industry with our decades of deep experience in logistics.

DP World Trade Finance provides access to finance to keep shipments moving. We offer security and agility that comes with complete visibility of goods in transit through end-to-end tracking solutions and guarantee the best shipping rates through our digital logistics platforms. We enable market access and cross-border e-commerce and reduce costs in the supply chain through our partnership with World Logistics Passport.

In November 2022, we also held the inaugural Global Freight Summit in Dubai, bringing together members of the freight community to discuss the most pressing issues in our industry.
The strengthening of DP World’s balance sheet has resulted in
its partnership with NIIF to include its ports portfolio, expecting
most significant transactions were in the UAE, where the
revenue growth was aided by the acquisitions of syncreon and
DP World’s like-for-like revenue growth was driven by its Ports
mix change.
The tax expense relates to the tax payable on the profit earned
from equity-accounted investees increased to US$96 million.
from Unifeeder (ISC), which benefited from improved average freight
The Americas region was the primary driver of containerised

Overall revenue in the region grew 74.7% to US$11.600 million and adjusted EBITDA increased 25.6% to US$3.448 million.

Results before separately disclosed items
US$ million
2022 2021 % change
Consolidated throughput (TEU ‘000) 25,025 24,310 2.9% 1.5%
Containerised Revenue 6,944 4,343 51.9% 75.7%
Non-Containerised Revenue 11,600 6,642 74.6% 11.7%
Total Revenue
Share of profit from equity-accounted investees
Adjusted EBITDA 1,001 729 38.6% 28.6%
Adjusted EBITDA Margin 38.5% 37.5% 0.6% 40.4%
Profit After Tax 678 509 33.2% 38.2%
The financial performance of the Asia Pacific and India region was
impressive, driven by robust performance in Marine Services and Logistics.
The growth in Marine Services was primarily led by Unifeeder (ISC), which benefited from improved average freight rates, while the growth in Logistics was attributable to Uniseco (South Korea). The performance of Ports and Terminals was mixed, with volumes in the region being softer. Nonetheless, stronger demand for ancillary services resulted in a rise in like-for-like containerised revenue.

Overall, revenue grew by 59.9% to US$7,172 million, and profit attributable to owners increased considerably by 30.4%, demonstrating DP World’s strong performance in the market.

Reported revenue grew by 59.9% to US$7,172 million, and profit attributable to owners increased considerably by 30.4%, demonstrating DP World’s strong performance in the market.

DP World’s like-for-like revenue growth was driven by its Ports and Terminals business in the UAE, Africa and the Americas, along with the Marine Services business, where Unifeeder played a vital role as the key growth driver. Meanwhile, reported revenue growth was aided by the acquisitions of syncreon and Imperial Logistics.

In 2022, DP World focused on strengthening its balance sheet and raised over US$8 billion through asset monetisations. The most significant transactions were in the UAE, where the company partnered with CDPQ and Hassana to raise US$5.7 billion. In addition, a new partnership with BI in Africa raised approximately US$300 million, while in India, DP World expanded its partnership with NTPC to include its ports portfolio, expecting to raise an additional US$300 million.

The strengthening of DP World’s balance sheet has resulted in the Company’s credit rating being upgraded by Moody’s by one notch to Baad with Stable Outlook, while the rating by Fitch has improved to a Positive Outlook with a BB+ rating.

Overall, revenue in the region grew 74.7% to US$11.600 million and adjusted EBITDA increased 25.6% to US$3.448 million. On a like-for-like basis, adjusted EBITDA improved by 11.9%. We invested US$1,044 million in the region, mainly focused on Jebel Ali Port & E2 World (UAE), Jeddah (Saudi Arabia), Dakar (Senegal), Sokhna (Egypt) and London Gateway Port & London Gateway Park (UK).

Results before separately disclosed items
US$ million
2022 2021 % change
Consolidated throughput (TEU ‘000) 11,410 10,881 4.9% 4.9%
Containerised Revenue 1,854 1,623 14.2% 18.2%
Non-Containerised Revenue 1,075 593 81.4% 11.8%
Total Revenue 2,929 2,215 32.2% 16.6%
Share of profit from equity-accounted investees 14 7 98.1% 106.5%
Adjusted EBITDA 1,000 807 24.8% 16.2%
Adjusted EBITDA Margin 34.3% 36.4% (2.1%) 38.1%
Profit After Tax 655 509 28.6% 21.7%
The Americas region was the primary driver of containerised revenue growth, with a particularly strong performance in Latin America. The growth in containerised revenue was also supported by ancillary revenue. Additionally, reported non-containerised revenue growth of 81.4% was mainly due to the full-year contribution of syncreon, which was acquired in December 2021.

Total reported revenue rose 32.2% to US$2,929 million, and adjusted EBITDA increased by 24.6% on a reported basis to US$1,005 million. On a like-for-like basis, adjusted EBITDA increased by 16.2%, reflecting the higher top line.

We invested US$4.46 billion in capital expenditure in this region, mainly focused on Prince Rupert, Vancouver (Canada), Callao (Peru) and CPOW Logistics (South Africa).

CASH FLOW AND BALANCE SHEET
Adjusted gross debt (excluding bank overdrafts and loans from non-controlling shareholders) stands at US$15.6 billion compared to US$13.6 billion as of 31 December 2021. Lease and concession fee liabilities account for US$4.4 billion, with interest-bearing debt of US$1.4 billion as of 31 December 2022. Cash and cash equivalents on the balance sheet stood at US$3.3 billion, resulting in net debt of US$11.2 billion or US$10.9 billion on a pre-IFRS16 basis. Our net leverage (adjusted net debt to adjusted EBITDA) stands at 3.0 times post-IFRS16 and would be 2.7x pre-IFRS16 basis. Cash generation remained solid, with cash from operations improving to US$4.7 billion (2021: US$3.6 billion).

CAPITAL EXPENDITURE
Consolidated capital expenditure in 2022 was US$7.17 million (2021: US$3.93 million), with maintenance capital expenditure of US$2.03 million. We expect the full-year 2023 capital expenditure to be approximately US$1.7 billion, which will be invested in UAE, Istanbul (Turkey), London Gateway (UK), Dakar (Senegal), Bali, Dominican Republic (the Congo), Callao (Peru) and DPW Logistics (South Africa).

NET FINANCE COSTS BEFORE SEPARATELY DISCLOSED ITEMS
Net finance costs in 2022 was higher than the prior year at US$800 million compared to 2021 of US$747 million. Increase in net finance costs mainly due to higher average debt and increase in the effective interest rate during the year.

TAXATION
DP World is not subject to income tax on its UAE operations. The tax expense relates to the tax payable on the profit earned by overseas subsidiaries calculated in accordance with the taxation laws and regulations of the countries in which they operate. For 2022, DP World’s income tax expense before separately disclosed items increased to US$395 million (2021: US$338 million), due to an improvement in profitability.

PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS (MINORITY INTEREST)
Profit attributable to non-controlling interests (minority interest) before separately disclosed items was US$401 million against US$200 million for the year ended 31 December 2021. Profit attributable to non-controlling interests (minority interest) is reported on a 60% to 70% equity-accounted basis.
STRATEGIC REPORT

INSTRUMENTS

**KEY PERFORMANCE INDICATORS**

### FINANCIAL

**RETURN ON CAPITAL EMPLOYED (ROCE) %**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>ROCE</td>
<td>6.0%</td>
<td>6.3%</td>
<td>6.0%</td>
<td>6.0%</td>
<td>8.0%</td>
</tr>
</tbody>
</table>

**DEFINITION**

ROCE is earnings before interest and tax, and before separately disclosed items (SDI), as a percentage of total assets less current liabilities.

**COMMENT**

ROCE is a key measure of how well our investment strategy is delivering value and in 2022 our ROCE improved to 8.0% from 6.3% in 2021. The increase is explained by the significant improvement in our profitability. We expect our ROCE to continue to increase as our portfolios mature. Currently, the average life of our port concession stands at 32 years.

### PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY (US$M)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td>1,270</td>
<td>1,328</td>
<td>879</td>
<td>1,103</td>
<td>1,438</td>
</tr>
</tbody>
</table>

**DEFINITION**

Profit attributable to owners of the Company before SDI divided by the total capacity.

**COMMENT**

Profit attributable to owners of the Company before SDI increased by 30.38% in 2022 on stronger revenue and EBITDA growth.

### CUSTOMERS

**GROSS CAPACITY MTEU**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity</td>
<td>92.5</td>
<td>76.9</td>
<td>77.8</td>
<td>97.3</td>
<td>91.7</td>
</tr>
</tbody>
</table>

**DEFINITION**

Gross capacity is the total capacity of our global portfolio of terminals. Gross capacity utilisation is the total throughput in the year divided by the total capacity.

**COMMENT**

Gross capacity increased by 0.7 million TEU to 92.5 million TEU at the year end. Our utilisation remains high and above the industry average.

### CAPITAL EXPENDITURE IN 2022

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>US$1,703M</td>
<td>US$1,438M</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**DEFINITION**

Capital expenditure is the total cost of property, plant, equipment, investment properties and port concession rights added during the year.

**COMMENT**

Capital expenditure totalled US$ 1,703 million during the year and was predominantly related to expansion of existing facilities and their maintenance.

### PEOPLE

**DP WORLD HUB TRAINING PROGRAMME PARTICIPANTS IN 2022**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants</td>
<td>2018</td>
<td>1294</td>
<td>1886</td>
<td>2019</td>
<td>1328</td>
</tr>
</tbody>
</table>

**DEFINITION**

The Hub is DP World’s global centre of excellence for learning, leadership, and talent management. We consult and partner with the business to provide learning opportunities that support our key strategic objectives and to continue to deliver a wider range of operational and leadership training with high levels of engagement across the Group.

**COMMENT**

The DP World Hub continues to deliver a wider range of programmes via a learning platform. We expect this trend to continue as further training programmes are developed and released.

### REPORTABLE INJURY FREQUENCY RATE (“RIFR”)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>RIFR</td>
<td>5.1</td>
<td>4.0</td>
<td>3.4</td>
<td>3.8</td>
<td>3.3</td>
</tr>
</tbody>
</table>

**DEFINITION**

RIFR is the sum total of Employee and Contractor, Lost Time and Medical Treatment Injuries and Fatalities divided by the total hours worked and then multiplied by 1 million.

**COMMENT**

We are pleased to report that our RIFR has decreased as a result of a lower number of injuries being reported in 2022. Our number one objective is to achieve a SHF (Serious Injury and Fatality) free workplace, and we will continue to make every effort to ensure the safety and wellbeing of our employees and contractors.
We constantly monitor the potential threats and opportunities we face to ensure that we remain resilient and thrive, both reputationally and operationally.

This is a continual process and may be associated with a variety of strategic, financial, operational and compliance matters, including business strategies, health, safety and protection, environment, operational disruptions, technology threats, competition and regulatory requirements.

These risks are collated in risk profiles and are reported at local, regional and Group levels.

This bottom-up risk management exercise is performed by senior management executives and oversight, designed to support the delivery of our vision and strategy as described on pages 14 and 15 of this report.

Our ERM framework incorporates a continuous exercise of “bottom-up” risk review that incorporates the Group’s business units and reporting, as well as “top-down” risk review by the senior management executives and oversight, designed to enable us to meet our strategic objectives. The Board establishes and delegates responsibilities under our Enterprise Risk Management (ERM) framework. The Audit and Risk Committee monitors the nature and extent of risk exposure for our principal risks. Details of the activities of the Audit and Risk Committee are in the Corporate Governance section of this report, commencing on page 75.

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RISK OVERSIGHT AND ACCOUNTABILITY

Ultimate accountability for risk management lies with the Board, which delegates the oversight of implementation and effectiveness to the Audit and Risk Committee, including policy setting and application of the framework. The timely flow of risk intelligence and reporting lines that we have in place across our three lines of defense enable more informed decisions to be made throughout the Group.

1. RISK IDENTIFICATION

A robust methodology is used across the Group’s business units and reporting, as well as “top-down” risk review by the senior management executives and oversight, designed to enable us to meet our strategic objectives. The Board establishes and delegates responsibilities under our Enterprise Risk Management (ERM) framework. The Audit and Risk Committee monitors the nature and extent of risk exposure for our principal risks. Details of the activities of the Audit and Risk Committee are in the Corporate Governance section of this report, commencing on page 75.

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2. RISK ASSESSMENT AND PRIORITISATION

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STRATEGIC REPORT

OUR PRINCIPAL RISKS

Our ERM framework enables us to monitor, mitigate and manage the internal and external risks that can develop and evolve over time.

STRATEGIC OBJECTIVES

Offer end-to-end supply chain solutions to cargo owners

Broaden capabilities and offer supply chain solutions to a wider audience

Continue to invest in origin-destination focused port locations

2022 PRINCIPAL RISKS

Nature and impact:

Macroeconomic instability

Financial risks

Customer attraction and retention

Major projects – planning and project management

Geopolitical

IT systems and cyber threat

Health and safety

Environment and climate change

Compliance

Leadership and talent

Labour unrest

Legal and regulatory

Trend

Macroeconomic instability

Increasing

NATURE AND IMPACT:

According to the International Monetary Fund (IMF), in 2022 the global economy grew by 3.2%. The IMF is forecasting GDP growth of 2.7% in 2023 and showing a reduction in projections for most global economies. Inflationary pressures and rising interest rates will impact GDP growth and global volumes.

TREND:

Increasing

HOW WE MANAGE OUR RISK:

• Multiple sources of funding have been arranged through bank loans, revolving facilities, bonds, Sukuks and private placements to help ensure that the Group can meet short and long-term liquidity requirements, facilitating our growth and diversification aspirations.

• We have a well-diversified global portfolio of investments across several jurisdictions, spreading our geographical concentration risk. Increasingly, we are investing in logistics, which further diversifies our risks.

FINANCIAL RISKS

LINKED STRATEGIC OBJECTIVES:

NATURE AND IMPACT:

Our Group operates in many geographies around the world. Within the scope of our normal business activities, we are exposed to financial risks that affect our access to liquidity, availability of capital to achieve our growth objectives, foreign currency and interest rate volatility.

TREND:

Steady

The Group’s strong balance sheet and continuing operational performance have helped manage this risk for the Group. However, interest rate rises have increased the cost of borrowing and we have continued to see interest rate volatility.
NATURE AND IMPACT
As DP World executes its strategy of developing and growing port-centric logistics and marine services businesses – customer attraction and retention risks must be mitigated.

With the continued expansion into new areas of the supply chain, our customer model has shifted from a smaller number, high value, to a higher number, lower value. This increase in customer base places greater focus on customer relationship management, both in attracting new, as well as retaining existing.

In addition, the utilisation within our ports and terminals business (our core business area) is influenced by the capacity available to handle container volumes. In some jurisdictions, port authorities tender many projects simultaneously and available to handle container volumes. In some jurisdictions, this has been offset by growth in the business (our core business area) is influenced by the capacity.

Although we have seen a negative impact on volumes in certain locations, this has been offset by growth in the majority of others.

HOW WE MANAGE OUR RISK
• Developing port-centric logistics by adding/and/or value to our customers. Such investments complement container terminals by increasing our leverage while at the same time independently contributing sustainable revenue addition.
• Investing in digital assets that will deliver DP World’s vision to become a trade enabler by taking our customers’ operations online and reducing paper-based complexities involved in existing processes.
• Developing end-to-end logistics solutions that integrate road, rail and non-vessel-operating common carriers, managing businesses and systems to deliver customer-focused solutions.
• Focusing on high levels of customer service to develop sustainable, high-value and trusted customer relationships throughout our portfolio.
• Client management programme in place to build and maintain close relationships with carriers.
• We actively monitor and manage our renewal and retention rates.
• Within the logistics business, we have a very wide and diverse customer base across multiple industries, with no single customer contributing more than 5% of our revenue.

CUSTOMER ATTRACTION AND RETENTION
LINKED STRATEGIC OBJECTIVES:
• Client management programme in place to build and maintain close relationships with carriers.
• Within the logistics business, we have a very wide and diverse customer base across multiple industries, with no single customer contributing more than 5% of our revenue.

MAJOR PROJECTS – PLANNING AND PROJECT MANAGEMENT
LINKED STRATEGIC OBJECTIVES:
• Developing port-centric logistics by adding/and/or value to our customers. Such investments complement container terminals by increasing our leverage while at the same time independently contributing sustainable revenue addition.
• Investing in digital assets that will deliver DP World’s vision to become a trade enabler by taking our customers’ operations online and reducing paper-based complexities involved in existing processes.
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• Client management programme in place to build and maintain close relationships with carriers.
• Within the logistics business, we have a very wide and diverse customer base across multiple industries, with no single customer contributing more than 5% of our revenue.

How do we manage our risk?
• Developing port-centric logistics by adding/and/or value to our customers. Such investments complement container terminals by increasing our leverage while at the same time independently contributing sustainable revenue addition.
• Investing in digital assets that will deliver DP World’s vision to become a trade enabler by taking our customers’ operations online and reducing paper-based complexities involved in existing processes.
• Developing end-to-end logistics solutions that integrate road, rail and non-vessel-operating common carriers, managing businesses and systems to deliver customer-focused solutions.
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• Client management programme in place to build and maintain close relationships with carriers.
• Within the logistics business, we have a very wide and diverse customer base across multiple industries, with no single customer contributing more than 5% of our revenue.

TREND
Steady
Although we have seen a negative impact on volumes in certain locations, this has been offset by growth in the majority of others.
STRATEGIC REPORT

OUR PRINCIPAL RISKS

GEOPOLITICAL

Linked Strategic Objectives:

Nature and Impact

The Group seeks new opportunities and operates across a large number of jurisdictions, resulting in exposure to a broad spectrum of economies and political and social frameworks. Political instability, changes to the regulatory environment or taxation, international sanctions, expropriation of property, civil strife and acts of war can disrupt the Group’s operations, increase costs or negatively impact existing operations, services, revenues and volumes.

Trend

Increasing

This risk has increased due to the Russia and Ukraine conflict, as well as ongoing geopolitical tensions and escalations in the Middle East and Africa, China/Taiwan, as well as civil unrest across Latin America and Asia.

How we Manage Our Risk

- We have a well-diversified global portfolio of investments across several geographical jurisdictions, which spreads our risk. We also actively maintain a mix of investments between emerging markets and developed markets to balance our risk-return profile.
- We are also increasingly investing in logistics assets, which further diversifies our potential risk exposure should undesired geopolitical events occur.
- Our focus on the more resilient origin and destination cargo also lowers the risk of volatility.
- We have experienced business development teams undertaking business due diligence, analysing current and emerging issues.
- Business continuity plans are in place to respond to threats and safeguard our operations and assets.
- Authoritative and timely intervention is made at both national and international levels in response to legislative, fiscal and regulatory proposals that are disproportionate and not in our interests.
- Ongoing security assessments and continuous monitoring of geopolitical developments – along with engagement with local authorities and joint venture partners – ensure we are well-positioned to respond to changes in political environments.

IT SYSTEMS AND CYBER THREAT

Linked Strategic Objectives:

Nature and Impact

The sophistication of cyber threats continues to evolve at a fast pace leading to corporations being targeted for malicious and unauthorised attempts to access their IT systems for information and intelligence. Our Group could be compromised by an incident that breaches our IT security. This could result in business disruption, liabilities, claims, loss of revenue, litigation and harm to the Group’s reputation.

Trend

Increasing

The sophistication and frequency at which cyber-attacks and information security incidents are occurring within global organisations continue to increase. Phishing, ransomware and distributed denial-of-service (DDoS) attacks are prevalent and, as such, we must remain vigilant and be prepared.

How we Manage Our Risk

- We have developed technology strategies that are aligned with business objectives.
- We conduct periodic IT maturity assessment of our business units and implement necessary controls to improve the maturity year-on-year.
- We have developed technology strategies that are aligned with business objectives.
- We conduct periodic IT maturity assessment of our business units and implement necessary controls to improve the maturity year-on-year.
- Our information security policies, procedures and frameworks are frequently reviewed to mitigate risks and ensure compliance. These are based on international industry standards, such as ISO27001, NIS and CIS.
- Our Group Technology Governance framework is based on COBIT-2019, ISO 27001, PMI and ITIL frameworks.
- Our infrastructure is monitored 24/7 by third-party Security Operations Centre providers and we also perform threat hunting activities as part of our incident management process.
- We conduct cyber-attack simulations to assess awareness of our employees. We provide regular training and awareness courses to ensure employees remain vigilant on cybersecurity when using our computer systems.
- We have in-house cyber incident response and forensic investigation capabilities. All business units have cyber incident response plans developed and regularly tested.
- All software and systems are upgraded or patched regularly to ensure that we minimise our vulnerabilities.
- Strong authentication mechanisms are implemented to maintain confidentiality, integrity, and availability.
- We follow a “Zero Trust Model” before granting access and use the principle of least privileged access level.
- Our security approach protects confidentiality, integrity, and availability of information in all 6 layers of IT infrastructure & application.
- Data backup and periodic restoration practices are in place across business units to ensure data availability during unforeseen events.
- Each of our business units has IT disaster recovery plans to support business continuity and conduct regular disaster recovery drills to verify effectiveness.
- Our IT infrastructure is regularly updated or refreshed to keep pace with changing and growing threats and support business applications.
NATURE AND IMPACT
The industry we operate in has a considerable interaction between people and heavy equipment, loads and falls from heights, which expose us to a range of health and safety hazards. The potential impacts include harm to our people, regulatory action, legal liability, increased costs and damage to our reputation. Our ultimate goal is zero harm to our employees, communities in which we work and shareholders.

The continued expansion into the wider supply chain presents new health and safety threats. Safety measures at our ports and terminals are largely under our control. However, once we leave the gate, external factors are beyond our control and this requires continued focus and attention to ensure that we protect our people and minimise the risk of threats to others.

These impacts are compounded in emerging markets where fundamental safety cultures may not exist or where regulations are not consistently enforced.

TREND
Increasing
As we continue to diversify and grow our business, both into new markets as well as new sectors across the supply chain, this increases our potential health and safety risk exposure. The health and safety culture of a business does not change overnight, and as we acquire businesses there is a transition time to bring them up to our standards. Risk typically will continue to increase and requires a significant amount of priority, focus and attention from all our staff to achieve our “zero harm” target.

HOW WE MANAGE OUR RISK
• Our Board of Directors is fully committed to creating a safe culture throughout the Group. We regularly monitor the implementation of our safety strategy within our business units, which includes employee training, regular audits and management objectives concerning the safety of our people.
• Ongoing activities and contracts to help protect our people during the pandemic. Those have included the development of an occupational health programme that details specific controls to reduce health risks and improve the pandemic response.
• We maintain up-to-date Health, Safety and Environment (HSE) standards, guidelines and targeted field-based risk programmes, along with extensive safety promotion activities.
• We have implemented a comprehensive five-year HSE strategy backed by robust annual plans for all levels of the organisation. We have implemented the HSE Pillars covering Leadership and Engagement, Risk Reduction and Improvement, and Commitments We Live By, which provide the framework to support and influence our work culture and reduce risk. The pillars encompass our vision to eliminate serious injuries and fatalities (SIFs) from our businesses. The pillars also seek a culture of zero harm to ensure everyone goes home safe.
• We continue to record and report on all safety impacts within our businesses to the Board and senior management.
• Annual HSE profiling to identify and rate high, medium and low-risk entities across the portfolio.
• Centralised and integrated online HSE management system for live HSE performance tracking and real-time management notifications, including Power BI dashboards and predictive analytics.
• We investigate all incidents and have a working group in place to highlight trends, reduce risk factors and identify and implement measures aimed at eliminating future incidents.
• Business unit management is responsible for on-site safety risks and is supported by safety guidelines, procedures and oversight from our local, regional and global safety teams, which coordinate consistent approaches to safety risks.
• A Vendor Code of Conduct has been established to ensure contractor selection criteria are aligned with our safety policies before commencing work at our business units.

HEALTH AND SAFETY
LINKED STRATEGIC OBJECTIVES:
- Other end-to-end supply chain solutions to cargo owners
- Broaden capabilities and offer supply chain solutions to a wider audience
- Continue to invest in origin-destination focused port locations

ENVIRONMENT AND CLIMATE CHANGE
LINKED STRATEGIC OBJECTIVES:
- Group Environmental Standards are in place and implemented across all of our operating entities. We take into account any local legal requirements, to ensure environmental impacts are identified, assessed and escalated as required.
• We have a dedicated team responsible for reviewing environmental regulatory risks. We actively engage various external stakeholders to manage and mitigate any risks associated with regulatory changes.
• We regularly review and update our guidelines to align with good international industry practice.
• We have in place and are continuing to develop, short- and long-term decarbonisation and environmental impact management strategies.
• We are committed to the Science-Based Targets initiative, a collaboration between CDP, the United Nations Global Compact, the World Resources Institute and the World Wide Fund for Nature to set emission reduction targets in line with climate science and Paris Agreement goals.
• An asset resilience working group is in place to establish mitigations and solutions for minimising the impact that climate change will have on our assets, equipment and infrastructure.
• Operational terminals, executives, managers and technical leaders play an important role in developing strategies and actions to combat the adverse potential effects of climate change through planning, modification of infrastructure and retrofitting.
• We continue to monitor and report our carbon emissions to the Board, senior management, and globally to stakeholders.
• Our carbon emissions are certified externally on an annualised basis.
• We actively procure new equipment that is electrified or has increased operational efficiency to drive lower carbon emissions.
• Our business strategy is to purchase electrified equipment whenever feasible...
• We proactively review cargo and hazardous materials that we handle and ensure proper handling, care and storage.
• We have developed targeted controls, guidance and training to prepare our terminals for response to any spill or release that may occur during operations.
• We, on a regular basis, develop statistics to identify positive and negative trends with a focus on reducing risk factors by implementing measures to minimise and/or eliminating future incidents.
• Further information on our environmental initiatives and performance can be found in the Sustainability section of this report, commencing on page 56.
OUR PRINCIPAL RISKS

COMPLIANCE

NATURE AND IMPACT

DP World demonstrates high standards of business integrity and is committed to compliance with applicable laws and regulations, including but not limited to, anti-bribery and corruption, data protection, trade sanctions and competition law.

As our business spreads geographically, we are increasingly operating in a network of national and international regulatory requirements that are increasing in scope and complexity. Failure to comply with these regulations could result in substantial penalties, prosecution and significant damage to our reputation and may negatively impact relationships with our customers and other stakeholders. This, in turn, impact our future revenue and cash flow. In addition, a mere allegation of non-compliance could also lead to reputation and brand damage with investors, regulators and customers.

TREND Steady

Compliance-related regulatory requirements are increasing in scope and complexity, specifically within areas such as trade sanctions and data privacy (e.g., GDPR), and we continue to grow our operations and expand into new areas. However, we have continued to enforce our high standards of business integrity, our compliance framework remains robust and is committed to compliance with applicable laws and regulations and our code of ethics.

HOW WE MANAGE OUR RISK

• DP World has a Code of Ethics and associated policies and procedures in place to address areas such as anti-bribery, data protection, modern slavery and human rights, and adopts a zero-tolerance approach to these areas of risk.
• Group compliance oversees data privacy risks globally and in conjunction with other functions in the organisation, undertakes the implementation of appropriate systems, standards and controls. Global training to understand personal data, privacy laws, and their implications is conducted with the relevant teams.
• Our internal training programme, policies and procedures are designed to help ensure compliance with applicable laws and regulations and our code of ethics.
• We have an Anti-Fraud Policy and framework in place for preventing, detecting and responding to fraud to meet the stringent requirements of applicable anti-bribery regulations, including the UK Bribery Act. This is particularly focused on higher-risk regions to ensure the Group’s policies are understood and enforced.
• Fraud risk awareness workshops have been rolled out across the Group to raise awareness and promote compliance.
• We have an externally administered whistleblowing hotline for reporting any concerns. These are investigated and reported to the Audit and Risk Committee every quarter.
• We provide new starters and existing employees with training on anti-bribery and corruption as part of the induction process.
• Our Group Compliance function focuses on ensuring that we understand and comply with the applicable laws and regulations, including anti-bribery, data protection, trade sanctions and competition laws.
• We have a Vendor Code of Conduct to ensure vendors comply with our ethical standards and values. We will only engage vendors who agree to adopt and adhere to the Code.
• All business units submit an annual self-assessment to confirm compliance with global policies. Policy compliance is independently assessed by Internal Audit during planned business audits undertaken as part of a risk-based approach. Results are reported to the Audit and Risk Committee.

LEADERSHIP AND TALENT

NATURE AND IMPACT

Leadership and talent risks are inherent to all businesses. Failure to effectively attract, develop and retain talent in key areas could impact our ability to achieve growth ambitions and operate effectively.

HOW WE MANAGE OUR RISK

• Attraction and retention strategies are in place for identified scarce skills.
• We promote a safe working environment for our employees and operate a global health and wellbeing programme.
• We continuously monitor and benchmark our remuneration packages to attract retain employees of a suitable calibre and skill set.
• The DP World Hub develops and delivers training programmes across all levels, focused on improving operational and managerial competencies.
• We partner with some of the most reputable learning institutions, such as London Business School, Harvard, Erasmus and Massachusetts Institute of Technology (MIT) for the development of our leaders.
• We have entered into agreements with leading global recruitment and executive search firms to support us when needed and are continuing to enhance our social media sourcing channels as well as ensuring meaningful content is shared with various communities across the globe.
• Effective performance management remains a high priority. Our global approach and tools are evolving to drive optimal performance, from aligning strategic goals to recognising and developing our talent.
• We have in place a succession planning strategy for critical roles in the business, which forms part of our talent management process.

STRATEGIC OBJECTIVES

Other end-to-end supply chain solutions to cargo owners
Broaden capabilities and offer supply chain solutions to a wider audience
Continue to invest in origin-destination focused port locations
LABOUR UNREST
LINKED STRATEGIC OBJECTIVES:

NATURE AND IMPACT
Labor strikes and unrest, or other industrial disputes, pose a risk to our operational and financial results.

Some of our Group’s employees are represented by labor unions under collective labor agreements. The Group may not be able to renegotiate agreements satisfactorily when they expire and may face industrial action. In addition, labor agreements may not be able to prevent a strike or work stoppage, and labor disputes may arise even in circumstances where the Group’s employees are not represented by labor unions.

Unions are now communicating trans-nationally and coordinating actions against multi-national companies.

The economic downturn, high price inflation as well as increased fuel, electricity and living costs is starting to impact the workforce of many organisations across the globe. Additional in-country factors such as elections and populism may result in labor destabilisation.

TREND
Steady
Despite the labour disruption across the world our careful management and quick responses in protecting our employees, and our positive relationships with unions and employees have minimised the threat of disruptions.

HOW WE MANAGE OUR RISK
• We have an engagement strategy with unions and employees in those areas most affected by disputes. This includes multi-year agreements and assigned responsibilities for maintaining close relationships with unions locally, nationally and internationally.
• We are proactive and timely in our responses to the needs of the unions. A senior management representative holds a membership role on the European Works Council, which provides a forum to interact directly with union representatives on a timely and continuous basis.
• We continue to monitor operational downtime arising from local disputes.
• We conduct employee engagement surveys with a formal process for following up on employee concerns.
• We continue to develop a response capability to address and offset the impact of work stoppages as a result of labour disputes within the local regulatory and legal framework we operate under.

LEGAL AND REGULATORY
LINKED STRATEGIC OBJECTIVES:

NATURE AND IMPACT
Our Group is subject to local, regional and global laws and regulations across different jurisdictions. These laws and regulations are becoming more complex and increasingly stringent and, as such, we are subject to various legal and regulatory obligations. We are expanding geographically, and therefore, we are exposed to an increasing number of laws and regulations when operating our businesses. New legislation and other evolving practices (e.g., data protection, competition law and merger control rules) could impact our operations and increase the cost of compliance.

We must fully comply with all these rules, both within our existing operations as well as in our business development opportunities. This is even more critical in our industry which has few players, competitors and customers. Regulators across the world exchange data and scrutinise companies on a global level. Failure to comply with legislation could lead to substantial financial penalties, disruption to business, personal and corporate liability, and loss of reputation.

TREND
Steady
This risk has remained stable as we continue to monitor and comply with our legal and regulatory requirements in the countries in which we operate.

HOW WE MANAGE OUR RISK
• The Group monitors changes to regulations across its portfolio to ensure that the effect of any changes is minimised, and compliance is continually managed.
• Comprehensive policies, procedures and training are in place to promote legal and regulatory compliance.
• Our legal team has an ongoing dialogue with external lawyers to maintain knowledge of relevant legal developments in the markets where we operate.
• There are regular discussions with regions and businesses to proactively be aware of changes in the legal and regulatory environment and be in a position to advise accordingly.
• A dedicated Group compliance function is in place to oversee our evolving business and improve our overall control environment.

STRATEGIC OBJECTIVES
ENGAGING WITH OUR STAKEHOLDERS

In 2022, we strengthened our relationships with key stakeholders and further established DP World as a trusted leading and global end-to-end smart logistics solutions provider.

Our executive team continued to leverage opportunities created by the extensive stakeholder engagement in the DP World Flow Pavilion during Expo 2020 Dubai, which aimed at continuing to build partnerships and inspiring ideas that forge the world of tomorrow. The aim, then and now, is to foster partnerships, build trust, expand business operations and gather support in delivering the best services possible.

From achieving our business objectives to progressing on our sustainability goals, we have deepened engagement on topics that most impact our operations and reputation. We have conveyed how we aim to drive business profitability while benefiting individuals, communities and society wherever we operate, including our natural environment.

Meanwhile, we attended key international platforms and engaged with non-governmental organisations and events such as the World Economic Forum (WEF), the United Nations General Assembly (UNGA) but also the 27th Conference of the Parties on Climate Change (COP 27). We contributed to discussions on the decarbonisation of the shipping industry, global trade and logistics governance.

Teams across our global organisation have collaborated and engaged with each other to understand better the issues affecting our Company, our stakeholders, and the broader geopolitical landscape at a global and regional level. This enhanced coordination has enabled us to anticipate and react adequately to geopolitical developments impacting our global and regional operations while gaining credibility and formulating a competitive and compelling value proposition.

Stakeholder management lies within the Government Relations and Public Affairs (GRPA) Centre of Excellence (CoE), whose function is to preserve DP World’s licence to operate, protect its corporate reputation and create shareholder value. Our stakeholder management approach is grounded in our strategic insights, which consider our priority countries, the issues impacting operations and our reputation, and assessing the impact of geopolitical trends. Using this methodology, we can categorise our stakeholders depending on their relevance, alignment, authority, influence, and reach.

Our strategic approach enables us to adopt a tailored and personalised way of creating long-lasting trust-based relationships – to become the partner of choice for critical decision-makers, political leaders and other relevant stakeholders.

The work achieved by the CoE and the stakeholders’ management approach is led by DP World’s Vice-President for External Relations – which encompasses Government Relations and Public Affairs – reporting to the Group’s Chief Communications Officer.
PEOPLE, CULTURE AND VALUES

2022 was a year of significant change at DP World, nearly doubling our workforce as a result of new acquisitions, in anticipation and in response to this, we have worked diligently to ensure we continue to support our people to deliver on our strategic objectives.

We have also been reviewing and updating our processes that support how we attract digital talent, connect with our people, while standardising our approaches and rolling out our strategic transformation.

ATTRACTING DIGITAL TALENT

Our drive to ensure world-class digital capabilities is delivered through our Technology Development Centres in India and the United States, where recruitment has been a key focus. A total of 317 employees were onboarded throughout the year, an increase of 52% from the previous year – of which 12% were management-level positions. We focused on diverse recruitment and used specialist technology recruiters to help us find the level of talent we needed.

In the broader Group technology function, an additional 60 employees joined the organisation; areas of significant growth include security and governance, data analytics and IT commercial functions. We welcomed our first batch of Oracle employees in the United States, where recruitment has been a key focus.

Our efforts to create a seamless onboarding process has been well received by new employees across the business. “It has been an absolute pleasure to go through the onboarding process at DP World. From the outset, it felt personal and highly informative. In a short space of time, I had all the information I needed to get to work and understand my role. Between interactions with the Chief Technology Officer, colleagues, Talent Team and the wider Group including a townhall meeting, I already feel valued and heard.”

CHAKRAPANI SAKHUMALLA
DIRECTOR OF PROGRAMME MANAGEMENT

GIVING YOUTH A VOICE

We launched “The Big Tech Project” inviting students of all ages from 12 universities (six from India and six from the UAE) to share their ideas on how DP World can leverage metaverse for its businesses and help trade flow. We received a total of 53 entries – they were explorative and delved into multiple directions including cargo tracking, remote assistance and virtual docking assistance.

The top four selected teams were given seven weeks to create a prototype of their idea under the mentorship of the DP World team. The final was held on 28 November at DP World Pavilion, Expo City, where the student team from Mohamed bin Zayed University of Artificial Intelligence (MBZUAI) in Abu Dhabi, UAE, were declared the first-ever student innovators by DP World. The runners-up were a team from The Information Technology, Bangalore, India.

CONNECTING WITH OUR TALENT

One of our key objectives has been to connect with more employees through digital channels, and during 2022, we launched our ONE app – a global mobile app designed and developed by our employees, for our employees.

The app, with its 12 key features, has been rolled out to more than 17,000 employees across the world and is available in 22 languages. It provides intuitive peer feedback on “Our Principles”, corporate newsfeeds, a policies and employee directory, and direct access to our performance, learn, innovation and skills portals, as well as a range of self-service solutions that integrate into our people management system.

We also launched “My Skills” to get to know our people better and maximise the talent we have across our organisation. It is a simple and efficient solution designed for all employees to record their skills and levels – allowing us to identify talent for agile squads and international and cross-functional projects. It provides greater targeted learning and development programmes, fostering career development opportunities. More than 70,000 skills were recorded in the first three months.

SETTING GLOBAL STANDARDS

In our sustained efforts towards building consistency in how we manage our people across our business, we launched our new global people policies and standards.

These are:

- a Welcome Guide that sets the framework for people activities within the Group;
- a Global Recruitment Policy that establishes high global standards in our recruitment methodology and processes;
- Global People Security Standards, setting clear guidelines and protocols to process people-related information in full compliance with data privacy laws;
- a Global Learning & Development (L&D) Policy that defines the guidelines and standards to enable our people to learn and develop competencies and capabilities;
- a Global Mobility Policy outlines processes and approvals associated with planning all international assignments for our employees;
- a Global Separation of Employment Policy establishes the principles and processes for a seamless separation of employment;
- Global Inclusion & Diversity Policy; and
- Global Travel Policy and portal.

CREATING EFFICIENCIES

A highly efficient and configurable rostering solution has been developed and deployed across some of our ports and terminals as well as our DryDocks shipyard. The system allows fast and reliable labour planning with optimal allocation of tasks to meet demand with the right worker at the right time, based on all specific local requirements. More than 30 million people hours per year are managed through Cargoes Rostering in various operations across four continents and we have an ambitious deployment roadmap for 2023, including external commercialisation of the solution to ports and terminals as well as for shipyards.

STRATEGIC TRANSFORMATION

On our journey to deliver our new global supply chain solutions from the factory floor to the customer door, we’re focusing on integrating imperial and syncronet businesses under DP World Logistics.

This is part of a broader strategic shift and involves the integration of the logistics businesses and the existing DP World regions (Europe, the Americas and Sub-Saharan Africa) into a single organisation based on agile working. This includes establishing customer-facing squads and collaborative ways of working to deliver beneficial cargo owners (BCOs) and customer-facing supply chain solutions. This includes our new ability to offer supply chain solutions unconstrained by our asset network, while also leveraging it wherever it is advantageous, deploying more than 30 agile squads, to enable smarter and faster delivery of end-to-end logistics solutions to new and existing customers through efficient collaboration across Peaks, regions and functions.

We established an Agile Transformation Office and hired our six regional leaders to oversee agile methodologies, three of which were hired from within the organisation and who have solid knowledge and understanding of their regions. This supports our ongoing mission to retain top talent and inhouse expertise, while also ensuring this is balanced with bringing in external talent with a fresh approach and insights into best practices from other industries.
PEOPLE, CULTURE AND VALUES

RETAINING TALENT

WELLBEING

During the pandemic, P&O Maritime Logistics Australia and Papua New Guinea recognised the increased impact of these challenges on our peoples’ mental health and wellbeing – and we have undertaken to follow its example and do more about this. In 2022, a range of initiatives were promoted, including education and awareness material, and we provided subscriptions to online wellness services to reduce anxiety. We also provided counselling and support services.

We recognised that face-to-face interactions on board our vessels had the most impact, which presented a challenge given the remoteness of our fleet. However, through careful planning, mental wellness experts were able to visit all vessels, spending time with crew talking about issues such as anxiety, depression, stress, being away from family and mental wellness.

In Papua New Guinea, a counselling service conducted rotating visits through the entire fleet and offices. During these sessions, the counsellors explained what counselling is and the benefits of discussing thoughts and emotions in an effort to reduce stigma around mental health.

“...I was the first person to speak to the counsellor. She has really helped me and it was so nice to meet her in person because I have only seen her on Teams.”

“I can see how this is a good way to help you come to the right decision.”

“I am happy that P&O Maritime Logistics have this service.”

“I didn’t want to come to this training but now I understand what counselling is and how it can help me and my family.”

The sessions were well received in both Australia and Papua New Guinea, and anonymous feedback included:

![Photo: A counsellor visits the crew on Aburri in Northern Australia](image)
SUSTAINABILITY

KEY ESG HIGHLIGHTS AND ACHIEVEMENTS IN 2022:

- **3,091*** TOTAL GREENHOUSE GAS EMISSIONS (SCOPE 1 AND 2, KILO-TONNES OF CO2 EQUIVALENT)
- **13.3** GREENHOUSE GAS EMISSIONS INTENSITY IN THE PORTS AND TERMINALS DIVISION (KGCO2E/MODTEU)
- **19%** RENEWABLE ELECTRICITY SHARE OF TOTAL ELECTRICITY
- **3.3** REPORTABLE INJURY FREQUENCY RATE (RIFR)
- **255,828** WOMEN AND GIRLS SUPPORTED THROUGH OUR COMMUNITY PROJECTS
- **257 women** MENTORED AS PART OF DP WORLD'S MENTORHER PROGRAMME
- **US$11.8m** SPEND ON PEOPLE TRAINING AND DEVELOPMENT
- **59%** % OF RECLAIMED WASTE FROM TOTAL GENERATED WASTE
- **US$8.7m** INVESTED IN GLOBAL EDUCATION PROJECTS
- **US$17.5m** INVESTED IN COMMUNITIES

* A portion of the drop in carbon emissions attributed to audit findings due to reclassification of Scope 1 reporting boundaries in the maritime service division.

“As a global logistics leader, DP World aims to enable smarter trade to create a better future for everyone. Our sustainability strategy “Our World, Our Future” guides us in everything we do. It creates economic, environmental and social value for future generations. It is a core part of the benefits we deliver to our stakeholders, reinforcing DP World’s global licence to operate.”

MAHA ALGATTAN,
GROUP CHIEF PEOPLE AND SUSTAINABILITY OFFICER

“OUR WORLD, OUR FUTURE” SUSTAINABILITY STRATEGY

Addressing our 7 responsible business priorities

Leaving a lasting legacy through our 3 focus areas

- **6%** PROGRESS AGAINST 2019 ROLLING BASELINE (NOTE: 2030 DECARBONISATION TARGET IS -28%)
- **256,152** RENEWABLE ELECTRICITY CONSUMED FROM OUR INSTALLATION AND THROUGH GREEN ELECTRICITY TARIFFS (MWH)
- **Leadership A-** CARBON DISCLOSURE PROJECT (CDP) CLIMATE CHANGE RESPONSE SCORE
- **16,657** GROUP HSE TRAINING PARTICIPANTS
- **257 women** MENTORED AS PART OF DP WORLD’S MENTORHER PROGRAMME
- **219,028** LEARNING HOURS DELIVERED TO 55,215 EMPLOYEES
- **0** SERIOUS ENVIRONMENTAL INCIDENTS
- **US$17.5m** INVESTED IN COMMUNITIES

**OUR WORLD, OUR FUTURE**
Our sustainability strategy, “Our World, Our Future” ensures that we work responsibly, prioritising sustainability and impact on people, the environment and the communities in which we operate to achieve a better, more socially equitable and sustainable future for generations to come.

The strategy, which was developed in 2019, is based on a group-wide materiality analysis conducted in line with global best practices and encompasses ten material topics, which are reviewed regularly to ensure they remain relevant to our business.

The first part of the strategy, “Our World”, includes ambitious commitments across seven priority areas to be achieved by 2030. The second part of the strategy, “Our Future”, looks at the lasting legacy we will leave on our industry and society. It focuses on three areas where we can make a positive difference for future generations: education, women and water.

The strategy is aligned with the United Nations Sustainable Development Goals (SDGs) across safety, climate change, security, community engagement, people development, ethics and well-being, as well as our chosen three legacy areas of focus. We leverage various United Nations memberships and frameworks to ensure our strategy is translated into concrete action supporting our ambition of operating as a responsible business.

We have adopted the ESG framework (Environmental, Social and Governance) to measure the impact of our sustainability accomplishments. We measure impact using several internationally recognised reporting frameworks from GRI, World Economic Forum’s Stakeholder Capitalism Metrics and CDP. We are also rated by independent rating agencies such as MSCI, Sustainalytics and Moody’s. In 2022, we received an ESG Risk Rating of 8.5 from Sustainalytics indicating a negligible level of risk in our ESG practices. This rating recognises the strong systems and processes in place to manage and mitigate ESG risks.

**Progress in 2022:**

- Strengthened ESG governance and risk management
  - appointed Maha AlQattan as Group Chief People & Sustainability Officer;
  - launched the Executive Sustainability Council;
  - published inaugural stand-alone ESG Report;
  - signed up to the WEF Stakeholder Capitalism Metrics and United Nations Global Compact’s (UNGC) Sustainable Ocean Principles to enhance our sustainability reporting;
  - evolved the Oceans legacy pillar to encompass water; and
  - integrated ESG as a risk into the corporate enterprise risk register.

For a full breakdown of all sustainability activity at DP World please refer to the latest version of our Environmental, Social and Governance Report available on our website.
SULTAN AHMED BIN SULAYEM
Group Chairman and Chief Executive Officer

Recently celebrating 40 years with the company, Sultan has led the company’s growth and expansion globally. He is now a member of the Board of Directors of DP World Group, overseeing the company’s strategic and operational affairs.

YUVRAJ NARAYAN
Group Deputy Chief Executive Officer and Chief Financial Officer

Mr. Narayan, as a member of the Board of Directors, provides strategic guidance and oversees the company’s financial performance and risk management.

DEEPAK PAREKH
Senior Independent Non-Executive Director

As a Director and Board Committee Chair, Mr. Parekh brings extensive experience in financial services and infrastructure development to the Board.

H.E. SULTAN BIN SAEEED AL MANSOORI
Independent Non-Executive Director

As a former Chief Executive Officer of DP World, H.E. Al Mansoori’s insights and experience are invaluable to the Board.

H.E. MOHAMMED SAIF AL SUWAIDI
Independent Non-Executive Director

With a career in the private and public sectors, Mr. Suwaidi provides a unique perspective to the Board.

ROBERT WOODS
Independent Non-Executive Director

As a Director and Board Committee Chair, Mr. Woods brings a wealth of experience in strategic planning and corporate governance.

PHUMIZILE LANGENI
Independent Non-Executive Director

Ms. Langeni’s extensive experience in the financial sector and her role as a Non-Executive Director adds value to the Board.

SIR TIM CLARK
Independent Non-Executive Director

As the longest-serving Executive Chairman, Sir Tim brings a wealth of industry knowledge to the Board.

VIJAY MALHOTRA
Independent Non-Executive Director

Mr. Malhotra’s experience in the technology sector is a valuable asset to the Board.

CORPORATE GOVERNANCE

The Board of Directors is composed of individuals who bring a diverse range of skills, experiences, and perspectives to the decision-making process. Each Director plays a critical role in ensuring the company’s strategic direction and financial health.
The Directors present their report and accounts for the year ended 31 December 2022.

FINANCIAL INSTRUMENTS
Details regarding the use of financial instruments and financial risk management are included in the Notes to the Consolidated Financial Statements, commencing on page 95.

RESULTS
The Group’s Consolidated Financial Statements for the year ending 31 December 2022 are shown on pages 90 to 94.

EVENTS AFTER THE REPORTING PERIOD
No events have occurred after the reporting date that require disclosure for the purposes of these consolidated financial statements.

SUSTAINABILITY
The Group is committed to integrating responsible business practices in all aspects of our operations. Further information regarding our approach to sustainability is contained in the Sustainability section of this report, commencing on page 58. This section of the report outlines our commitment to invest in our people, protect our environment, ensure the highest safety standards and build a vibrant, secure and resilient society.

BOARD DIVERSITY
The Company recognises and embraces the benefits of having a diverse Board and seeks to increase diversity at Board level, which it sees as an essential element in maintaining the Company’s competitive advantage. A Diversity Policy was developed for the Board, which recognises that a truly diverse board includes and makes good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of Directors. These differences are considered in determining the optimum composition of the Board. The Board considered its diversity as part of the annual evaluation of the performance and effectiveness of the Board and Board Committees.

The Nominations and Remuneration Committee reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors. In reviewing Board composition, the Nominations and Remuneration Committee considers the benefits of all aspects of diversity including, but not limited to, those described above, to maintain an appropriate range and balance of skills, experience and background on the Board. In identifying suitable candidates for appointment to the Board, the Nominations and Remuneration Committee considers candidates on merit against objective criteria and with due regard to the benefits of maintaining a balanced and diverse Board.

SUBSTANTIAL SHAREHOLDINGS
As at the date of this report, the Company has been notified that the following entity has an interest in the Company’s shares amounting to 5% or more.

<table>
<thead>
<tr>
<th>Class</th>
<th>Shares</th>
<th>Percentage of class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Port &amp; Free</td>
<td>830,000,000</td>
<td>100.00%</td>
</tr>
<tr>
<td>Zone World FZE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

GOING CONCERN
The Directors, having made enquiries, consider that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future, and therefore they consider it appropriate to adopt the going concern basis in preparing the accounts. Further details can be found under note 2 to the Consolidated Financial Statements.

AUDIT INFORMATION
Having made the required enquiries, so far as the Directors in office at the date of signing this report are aware, there is no relevant audit information of which the auditors are unaware, and each Director has taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

ARTICLES OF ASSOCIATION
The Articles set out the internal regulation of the Company and cover such matters as the rights of shareholders, the appointment and removal of Directors and the conduct of the Board and general meetings. Subject to DIFC (Dubai International Finance Centre) Companies Law and this Article, the Directors may exercise all the powers of the Company and may delegate authorities to Committees and day-to-day management and decision making to individual Executive Directors. Details of the main Board Committees can be found on pages 75 to 81.

INDEMNITY
All Directors are entitled to indemnity from the Company to the extent permitted by the law, against claims and legal expenses incurred in the course of their duties.

AUDITORS
The auditor, KPMG LLP, has indicated its willingness to continue in office. A resolution to re-appoint it as auditor has been approved by the Board of Directors.

SHARE CAPITAL
As at 31 December 2022, the Company’s issued share capital was US$1,660,000,000 comprising 830,000,000 ordinary shares of US$2.00 each.

By order of the Board.

FAISAL AAREKAT
VICE-PRESIDENT, GROUP LEGAL, GOVERNANCE AND GROUP COMPANY SECRETARY

21 March 2023
GROUP CHAIRMAN AND CHIEF EXECUTIVE OFFICER’S INTRODUCTION

Good governance and risk management are core to our business achieving its objectives. The DP World business model integrates best practice and is the blueprint to achieving our vision as a Group: To lead the future of world trade.

The implementation of good governance practices adds value to our performance, improves our strategic thinking, and allows us to run our business more effectively and better monitor the risks we face.

The Corporate Governance Report has been structured to align with the principles set out in the Corporate Governance Best Practice Standards, as detailed in the Dubai Financial Services Authority (the “DFSA”) Markets Rules. It sets out the actions that we have taken in 2022 to implement these practices.

LEADERSHIP

A balanced board with the necessary skills, knowledge and industry experience to lead our Group is key to achieving our strategic objectives and long-term goals. Details of the role of the Board, the Directors’ responsibilities, the Board composition and activities during the year are given in the Corporate Governance section on pages 66 to 70. The membership and work of the Board Committees are included on pages 75 to 81.

The Board remains committed to effectively leading the Company, ensuring that our business is managed prudently and soundly to drive sustained long-term value for our shareholders. The balance of skills and expertise on our Board will allow us to continue creating value as we expand our horizons and lead the future of world trade.

ACCOUNTABILITY

Our corporate governance practices lay down the framework for creating long-term trust between us and all our stakeholders – our shareholders, customers, employees, suppliers, governments and communities. We will continue to engage with our stakeholders and encourage effective dialogue with our shareholders.

As a Board, we are ultimately responsible for determining the Group’s risk appetite and its willingness to accept certain risks in pursuit of achieving the Group’s strategic objectives. The Board is also responsible for maintaining appropriate risk management and internal control systems. During 2022, we continued to review the Group’s principal risks that could have material effects on our business, financial condition and reputation. The principal risks and our approach to managing them are discussed on pages 38 to 49 of the Strategic Report and an outline of our internal controls and compliance procedures is contained on pages 71 to 73 in this Corporate Governance section.

We also report on the remuneration structures and their alignment with the long-term interests of the Group on pages 82 to 83 in the Nominations and Remuneration Committee Report.

We look forward to another prosperous year as we strive to be leaders in world trade by undertaking our business with the highest standards of good governance.

SULTAN AHMED BIN SULAYEM
GROUP CHAIRMAN AND CHIEF EXECUTIVE OFFICER
21 March 2023

OVERVIEW

DP World Limited (the “Company”) is incorporated in the Dubai International Financial Center (the “DIFC”) and was admitted in 2007 to the official list of securities on Nasdaq Dubai.
The Company’s Board of Directors ensures that the business of the Company and its subsidiaries (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 the Board has delegated to management.

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;
- monitoring the progress made by the Group in achieving its financial objectives.

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 and Risk Committee as set out on page 75.

Details of the Directors of the Company are given on pages 60 to 81.

The roles of Group Chairman and Chief Executive Officer are held by the same individual. The Group Chairman and Chief Executive Officer is responsible for the leadership of the Board, in conjunction with the Senior Independent Non-Executive Director. As the 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, and facilitates the flow of information to and from the Board and the management committees of the Group. He is also Chairman of the Executive Committees.

When acting as Chairman of the Board, the Group Chairman and Chief Executive Officer ensure, with the support of the Senior Independent Non-Executive Director and the Vice President, Group Legal, Governance and Group Company Secretary, that the agendas are forward-looking; that relevant business is brought to the Board for consideration in accordance with the schedule of matters reserved for the Board; and that each Director has the opportunity to consider the matters brought to the meeting and to contribute accordingly.

The Group Deputy Chief Executive Officer and 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 Deputy Chief Executive Officer and 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.

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 SID ensures that robust governance is maintained and that appropriate challenge to the Executive Directors is in place.

In compliance with the Corporate Governance Best Practice Standards in the Nasdaq Dubai Rules, at least one-third of the Board comprised 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 Non-Executive 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 2016. It 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.

In compliance with the Corporate Governance Best Practice Standards in the Nasdaq Dubai Rules, at least one-third of the Board comprised 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 Non-Executive Directors provides an exceptional balance of skills and knowledge, which is of great benefit to the Group.

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All Directors have access to the Vice President, Group Legal, Governance and Group Company Secretary, and independent professional advice at the Company’s expense, if required.
LEADERSHIP

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 Board Committees include the Audit and Risk Committee, Nominations and Remuneration Committee and Governance and Sustainability Committee, 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 Board Committees can be found on the following pages of this report and their terms of reference are available on the Company’s website, www.dpworld.com. The Vice President, Group Legal, Governance and Group Company Secretary provides support at the secretary for the Board Committees.

The Board considers that the corporate governance framework promotes the prudent and sound management of the Company across the long-term interest of the Company and its shareholders, and that it is effective in promoting compliance with the Corporate Governance Principles of the Nasdaq Dubai Rules.

BOARD OF DIRECTORS

OWNERS/SHAREHOLDERS
Provide oversight by appointing the Board of Directors to oversee the management of the Company and approving major transactions in accordance with the Nasdaq Dubai Rules.

AUDIT AND RISK COMMITTEE
Assists the Board in discharging its responsibilities with regards to financial reporting, external and internal audits, internal controls and risk management.

NOMINATIONS AND REMUNERATION COMMITTEE
Assists the Board in reviewing the Board structure, identifying candidate Directors when the need arises and determining the framework and Board policy for the remuneration of the Executive Directors and other members of senior management.

GOVERNANCE AND SUSTAINABILITY COMMITTEE
Assists the Board in reviewing the Company’s corporate governance framework, reviewing and approving the Company’s sustainability strategy, policies, programmes, targets and performance.

GROUP EXECUTIVE SAFETY AND ENVIRONMENT COMMITTEE
Ensures the accountability, effectiveness and continual development of the Company’s health, safety and environment programmes to ensure a culture of zero harm.

GROUP CHAIRMAN AND CHIEF EXECUTIVE OFFICER

ENTERPRISE RISK MANAGEMENT COMMITTEE
Assists the Board in fulfilling its oversight responsibilities in relation to the principal risks faced by the Group.

EXECUTIVE COMMITTEE
Primary responsibility for the day-to-day management of DP World’s operations and strategic policy implementation, such policies being established and approved by the Board.

CHARITY COMMITTEE
Primarily responsible for overseeing and endorsing requests, proposals and the process for DP World’s charitable donations and partnerships.

WOMEN’S COUNCIL
Oversees the implementation of the DP World women’s empowerment vision and strategy to drive gender equality across all aspects of the Company’s portfolio.

TENDER COMMITTEE
Primarily responsible for reviewing and endorsing tender award recommendations.

VENDOR SELECTION COMMITTEE
Primarily responsible for providing strategic oversight of the Group’s “Our World, Our Future” sustainability strategy, ensuring alignment with the overall business strategy and identifying and managing Environmental, Social and Governance (ESG) risks and opportunities.

EXECUTIVE SUSTAINABILITY COMMITTEE

2022 BOARD ACTIVITIES

2022 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
• reviewed and approved the re-structuring, size and composition of the Board’s Committees; and
• reviewed and approved the appointment of three new Independent Non-Executive Directors.

FINANCIAL REPORTING AND CONTROLS
• considered results and declared dividends;
• approved Group budget; and
• considered and approved major capital projects, including new acquisitions and increases in the Company’s holdings. The new acquisitions mainly included 100% controlling stake in Imperial Logistics, South Africa; 51% controlling stake in Africa FMCG Distribution Ltd and J&J Group both located in Africa.

STRAIGHT AND MANAGEMENT
• received detailed regional presentations on performance against strategic objectives and key performance; and
• received reports outlining projects under current consideration of the Group.

RISK MANAGEMENT
• received the risk reviews, as considered by the Audit and Risk Committee;
• monitored the status of legal claims; and
• received updates on insurance matters and approved the renewal of the Directors’ and Officers’ insurance.

CORPORATE GOVERNANCE
• reviewed and approved the terms of reference of the Board Committees; and
• approved a revised Modern Slavery and Human Trafficking Statement.

STAKEHOLDERS
• reviewed and approved breakthrough announcements released during the year; and
• approved a revised preliminary, full and half-year results announcements; and
• approved the Company’s Annual Report and Accounts.

CORPORATE GOVERNANCE

The Board has considered its current structure and composition of its existing Board Committees in line with the best practices and the Company’s strategic vision. The table below sets out the attendance of the Directors at the Board and Committee meetings during the year.

<table>
<thead>
<tr>
<th>Director</th>
<th>Board</th>
<th>Audit and Risk</th>
<th>Governance and Sustainability</th>
<th>Nominations and Remuneration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sultan Ahmed Bin Sulayem</td>
<td>5(5)</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Yuvraj Narayan</td>
<td>5(5)</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Deopak Parekh</td>
<td>5(5)</td>
<td>3(3)</td>
<td>–</td>
<td>2(2)</td>
</tr>
<tr>
<td>Robert Woods</td>
<td>5(5)</td>
<td>–</td>
<td>1(2)</td>
<td>1(2)</td>
</tr>
<tr>
<td>Mark Russell</td>
<td>1(5)</td>
<td>1(3)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Mohamed Ali Suwaidi</td>
<td>5(5)</td>
<td>3(3)</td>
<td>2(2)</td>
<td>2(2)</td>
</tr>
<tr>
<td>Patrice Trovado</td>
<td>4(5)</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Sultan Bin Saeed Al Mansoori</td>
<td>4(5)</td>
<td>–</td>
<td>–</td>
<td>2(2)</td>
</tr>
<tr>
<td>Sir Tim Clark</td>
<td>3(5)</td>
<td>–</td>
<td>1(2)</td>
<td>–</td>
</tr>
<tr>
<td>Vipul Malhotra</td>
<td>4(5)</td>
<td>2(3)</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Phumzile Langeni</td>
<td>4(5)</td>
<td>–</td>
<td>–</td>
<td>1(2)</td>
</tr>
</tbody>
</table>

1. Robert Woods attended one meeting of each of the Governance and Sustainability Committee and the Nominations and Remuneration Committee before the re-structuring of the Board Committees on 09 June 2022.
2. Mark Russell attended one meeting of the Audit and Risk Committee before his retirement on 18 March 2022.
3. Patrice Trovado resigned from the Board as an Independent Non-Executive Director on 13 October 2022.
4. Sir Tim Clark was appointed as the Director for 01 June 2022, and was a member of the Governance and Sustainability Committee on 09 June 2022.
5. Vipul Malhotra was appointed to the Board as an Independent Non-Executive Director on 07 June 2022, and as a Chair of the Audit and Risk Committee on 09 June 2022.
6. Phumzile Langeni was appointed to the Board as an Independent Non-Executive Director on 27 June 2022, and as a member of the Nominations and Remuneration Committee on 09 June 2022.
7. The information and figures in brackets shown in the table above for the Board Committees are based on the current structure of the Board Committees with effect from 09 June 2022.

Figures in brackets denote the total number of meetings held during the year.
BOARD PERFORMANCE EVALUATION
The Board undertakes a formal and rigorous annual evaluation of its 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. For the financial year ended 31 December 2022, the Board evaluation was facilitated internally by the Vice President, Group Legal, Governance and Group Company Secretary in accordance with the opposite 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.

EVALUATION PROCESS
STEP 1
Self evaluation. Questionnaire completed by each Director to review Board and Committee performance.

STEP 2
Interview with Senior Independent Non-Executive Director and Group Chairman and Chief Executive Officer.

STEP 3
Consolidate and report. Vice President, Group Legal, Governance and Group Company Secretary consolidates responses and presents results to the Board for its consideration.

STEP 4
Review and plan. The Board reviews the evaluation results and prepares an action plan for the following year.

TRACKING FROM PREVIOUS EVALUATION AND ACTION FOR 2022
As a result of the evaluation of the Board’s performance for the year 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 2021 performance review, the actions taken by the Board and principal Committees during 2022, and the actions identified for 2023 as a result of the 2022 performance review.

FINDINGS
IN 2021
- 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 the Company’s strategy, and enhance the strategic discussions, to ensure a clear strategic direction for implementation; and
- continue to focus on communication with institutional investors.

PROGRESS
IN 2022
- the structure and composition of the Board and the Committees was reviewed and three new Independent Non-Executive Directors were appointed bringing additional diverse skills, experience and knowledge to the Board;
- the Board attended the Global Leadership meeting in March 2022;
- increased focus on the Company’s strategy; and
- the Company has an ongoing commitment to open communications with institutional investors – see “Relations With Capital Markets” section starting on page 74.

ACTIONS
FOR 2023
- continue to increase the Board’s exposure to and familiarity with senior management;
- validate the location of Board meetings to give the Directors the opportunity to visit DP World’s global operations and meet with local senior management; and
- continue to optimise the strategic and market review to gain further competitive advantage.

The following are the actions taken by the Board and principal Committees during 2022, and the actions identified for 2023 as a result of the 2022 performance review.

ENTERPRISE RISK MANAGEMENT FRAMEWORK
Risk management is the responsibility of the Board and is integral to the achievement of DP World’s 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 Audit and Risk 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, measure, monitor, review and report the key risks facing the Group. The risks that are considered to be material are reviewed by the Audit and Risk Committee and Enterprise Risk Management Committee then, together with their associated controllers, are summarised in the risk profile and presented to the Board for review.

At the year-end, Executive, Divisional and Regional management certified 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 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 and Risk Committee for their review and consideration. A description of the process for managing enterprise risk, together with a summary of risks that could have a material impact on the Group and actions in place to mitigate those risks, are given on pages 38 to 49.

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

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 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 2022, the Company complied with the provisions of the Nasdaq Dubai Rules on:
- paragraph 15 of App 4 to the Nasdaq Dubai Rules (App 4) – the roles of Chairman and 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 of 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;
- the independence of any non-Executive Director; and
- the Executive Directors and senior managers have objectives and their performance against these objectives is reviewed by the Nominations and Remuneration Committee, which entirely comprises Independent Non-Executive Directors.

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. It can only provide reasonable and not absolute assurance against material misstatement or loss.
ACCOUNTABILITY

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

ORGANISATIONAL STRUCTURE

A clearly defined organisational structure that provides clear roles, responsibilities and delegations of authority to enable effective decision-making across the Group.

CODE OF ETHICS

DP World maintains the highest standards of business integrity, which are formalised in its Code of Ethics. This is published on the Company’s website, covering topics such as anti-bribery, anti-fraud, conflicts of interest, gifts and hospitality, and confidentiality, and outlines the process for reporting suspected infractions. The Code of Ethics applies to all Group employees and entities globally. Any non-compliance with the Code of Ethics and all applicable policies may lead to disciplinary action.

WHISTLEBLOWING POLICY

A whistleblowing programme for stakeholders to report complaints and concerns about conduct that is considered to be contrary to DP World’s values. The programme is monitored by the Audit and Risk Committee.

ANTI-BRIBERY POLICY

An Anti-Bribery 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 financial management and strategy are consistent throughout the organisation which can be actively translated into practical measures. Comprehensive reporting systems include monthly results, annual budgets and periodic forecasts. These are 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 that are communicated to all Group functions and business units.

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 business units 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 with budget, latest forecast and prior year, every month. 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 and Risk Committee on the evaluation of the adequacy of the internal control systems in place. The Board receives updates from the Audit and Risk 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, Security, Operations, Legal, Compliance 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 securities.

The Group has a Securities Dealing Code that sets out the restrictions and “close” periods applicable to trading in securities. Memoranda and guidelines relating to dealings in securities (other than selling or buying) have been circulated within the Group.

ANTI-FRAUD

DP World has a zero-tolerance approach to all forms of corruption. The Company has a Fraud Policy and has a comprehensive Fraud Management framework, which includes a dedicated Fraud Risk Services (FRS) team and a Fraud Advisory Panel with members from executive management. The Panel has been set up to advise FRS in fulfilling its duties in handling and reporting fraud incidents that may cause loss to DP World. Fraud Risk Assessments are conducted across various business units and functions 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.

DP World is committed to educating and training its employees (including part-time employees and contractors) in multiple ways. These include face-to-face seminars in local languages conducted by specialists in the FRS team, by Fraud Risk Champions making presentations either in person or virtually at the local level, and through online interactive training modules, available in different languages. These training sessions are conducted annually and as required on an ad hoc basis.

In 2022, DP World continued to enhance its capability to tackle fraud through the appointment and training of additional Fraud Risk Champions in many business units across multiple regions. DP World will continue its efforts to emphasise its zero-tolerance approach to all forms of corruption and to encourage a collective willingness to report incidents without fear of retribution.

ANTI-BRIBERY

DP World has an Anti-Bribery Policy with supporting processes and procedures that implement the requirements of the UK Bribery Act 2010 and other related laws and regulations globally which 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 (available in multiple languages) has been 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 practice; 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 practices in this area.

WHISTLEBLOWING

DP World’s Whistleblowing Policy applies globally and is supplemented by country-specific policies wherever local law requires. Protection of whistleblowers is of paramount importance and DP World’s framework and policies guarantee this within the limits of local laws.

DP World actively encourages its stakeholders to report any ethics violations or incidents to their supervisors, or via the whistleblowing hotline, accessible through a web-based reporting app or phone number. The Company also encourages grievances reporting to line managers, people departments or the whistleblowing hotline. Confidentiality for employees is assured. The hotline is independently administered and globally available, and therefore supports multiple languages. All reports are thoroughly investigated to their conclusion and securely documented, together with any corrective actions taken.

The Audit and Risk Committee receives an update at each meeting on all reported allegations. The Audit and Risk 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.

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 UK’s Modern Slavery Act 2015, which is available to view on the Company’s website, www.dpworld.com.
INVESTOR ENGAGEMENT CALENDAR FOR 2022
The Board is committed to communicating its strategy and activities clearly to its investors and maintains an active dialogue with investors through a planned programme of investor relations activities. Contact with investors is largely managed by the Group Deputy Chief Executive Officer and Chief Financial Officer, Deputy Chief Financial Officer and the Investor Relations team.

In 2022, we continued to proactively engage with the investor community and held more than 100 meetings, met over 150 institutions, and attended nine conferences and three roadshows held in London, Singapore and Malaysia. Investor queries continued to be focused around progress on DP World strategy, the uncertainty of COVID-19 pandemic, rising demand for trade, supply chain disruptions and increasing freight rates.

RELATIONS WITH CAPITAL MARKETS

JANUARY TO MARCH
• DP World Full-Year 2021 Throughput Announcement with Investor Call (Dubai, UAE).
• DP World Full-Year 2021 Results Announcement with Investor Call (Dubai, UAE).

APRIL TO JUNE
• DP World Q1 2022 Throughput Announcement (Dubai, UAE).
• BofA Securities 2022 Emerging Markets Debt and Equity Conference (Miami, USA).
• Bonds, Loans & Sukuk Middle East 2022 (Dubai, UAE).
• DFM/HSBC London Conference (London, UK).
• Barclays ESG Credit Conference (Virtual).

JULY TO SEPTEMBER
• DP World 2022 Half-Year Throughput Announcement (Dubai, UAE).
• DP World 2022 Half-Year Results Announcement with Investor Call (Dubai, UAE).
• Moody's GCC Summit (Dubai, UAE).
• Citi MENA Conference 2022 (Virtual).
• Standard Chartered Bank – Non-deal Roadshow (Singapore and Malaysia).

OCTOBER TO DECEMBER
• 2022 MEIRA Annual Conference and Award (Hybrid).
• DP World 9M 2022 Throughput Announcement (Dubai, UAE).
• BofA MENA Conference 2022 (Dubai, UAE).

The Board receives regular updates on investor views through briefings from the Group Chairman and Chief Executive Officer and Group Deputy Chief Executive Officer and Chief Financial Officer, as well as reports from the Investor Relations team.

Visit our dedicated Investors page on our corporate website, www.dpworld.com/investors

CONTACT OUR INVESTOR RELATIONS TEAM:
Redwan Ahmed, VP – Investor Relations
Email: Investor.Relations@dpworld.com
Phone: +971 (0)4 881 1110

AUDIT AND RISK COMMITTEE

During 2022, the Audit and Risk Committee comprised three members, all of whom are Independent Non-Executive Directors. The Secretary to the Audit and Risk Committee is Faisal Arekat, Vice President, Group Legal, Governance and Group Company Secretary.

COMMITTEE MEETINGS
The Audit and Risk Committee meets formally at appropriate times in the reporting and audit cycle during the year, and as otherwise required. Attendance at the Audit and Risk Committee meetings is set out in the table on page 69.

2022 ACTIVITIES
See page 76 for detailed activities of the Audit and Risk Committee during the year.

ROLE OF THE COMMITTEE
The primary role of the Audit and Risk 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, 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 Policy; and
• monitor risks and compliance procedures across the Group.

External and internal auditors are invited to attend the Audit and Risk 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 and Risk Committee can be found on DP World’s website, www.dpworld.com

MEMBERS:
Vijay Malhotra (Committee Chair)
Deepak Parekh
Mohamed Al Suwaidi

MEETINGS ATTENDED:
Vijay Malhotra (Committee Chair)
Deepak Parekh
Mohamed Al Suwaidi

1 The attendance shown above is based on the current structure of the Board Committees with effect from 09 June 2022.
SIGNIFICANT ISSUES
We identified the issues below as significant in the context of the 2022 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.

AREA OF FOCUS
An impairment review is carried out annually by management to identify cash-generating units (CGUs) (the smallest group of assets that generates cash inflows from continuing use) in which the recoverable amount of the CGUs is less than the value of the assets carried in the Group’s accounts. Impairment results in a charge to the Group income statement.

Key judgements and assumptions need to be made when valuing the assets of the CGUs and the quantum of potential future cash flows arising from these assets.

COMMITTEE ACTION
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, budgeted margins, discount rates, inflation, perpetuity growth rates and sensitivity analysis were reviewed. We obtained the external auditors’ view concerning the appropriateness of the approach, the key sensitivities in determining the recoverable amount and the 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. The review did not result in any significant impairment of goodwill during the year.

BUSINESS ACQUISITIONS & DISPOSALS ACCOUNTING

AREA OF FOCUS
During the year, the Group acquired the following entities which are consolidated in the Group’s financial statements:
• on 14 March 2022, the Group acquired 100% controlling stake in Imperial Logistics Limited, South Africa;
• on 12 July 2022, the Group acquired 51% controlling stake in Africa FMCG Distribution Ltd, Africa;
• on 18 July 2022, the Group acquired 51% controlling stake in Jebel Ali Group, UAE; and
• on 4 August 2022, the Group acquired controlling interest in Eurofos and sold its entire shares in Le Havre.

The Group also disposed of a minority stake in fellow entities without loss of control:
• on 1 January 2022, the Group divested 30% equity interest in DP World Dakar;
• on 31 March 2022, the Group divested minority equity stakes ranging from 6% – 10% in DP World Dakar, Senegal, DP World Sokhna, Egypt and DP World Berbera, Somalia; and
• on 30 June 2022, the Group monetised 21.89% in three of its flagship UAE businesses, comprising Jebel Ali Port, Jebel Ali Free Zone and National Industries Park. On 19 December 2022, the Group monetised an additional 10.20% in these three entities.

COMMITTEE ACTION
Acquisition and disposal accounting involves estimating the fair value of assets, liabilities and purchase consideration at the acquisition/disposal date, including the identification and valuation of intangible assets and goodwill (if any) in acquisition) and calculating the profit/loss on disposal. The Group engages independent third-party specialists to prepare valuation reports, which are then subject to external auditors’ review.

Disposal of a non-controlling stake in a business without loss of control involves identification of appropriate carrying values (including related fair value adjustment and goodwill) of the business to be divested, ensuring all transaction costs, related taxes and resultant capital gain are appropriately accounted within equity.

We reviewed the assumptions and judgements made by management in the valuation and purchase price allocation process. We ensured that there is a robust review process set by the management to ensure appropriate accounting for disposal of non-controlling interests.

TAX PROVISION

AREA OF FOCUS
The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes.

COMMITTEE ACTION
We reviewed the updates from the Head of Group Tax and reports from the external auditors. We considered the appropriateness of tax provisions in relation to the updates and reports received and concluded that the treatment adopted was fair and reasonable.

POST-EMPLOYMENT OBLIGATIONS (PENSIONS)

AREA OF FOCUS
Determining the current value of the Group’s future pension obligations requires several assumptions. These assumptions relate principally to the expected rate of inflation, discount rates applied to future cash flows and rates of inflation and future salary increases.

FINANCIAL REPORTING
This Audit and Risk Committee reviewed the annual update to the Group’s Accounting Policy. The significant accounting judgements and policies adopted in respect of the Group’s financial statements were agreed upon and considered appropriate. The appropriateness of the transactions separately identified as Separately Disclosed Items (SDI) in the financial statements to highlight the underlying performance for the period was 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 Group Internal Audit (GIA) is monitored and reviewed at each Audit and Risk Committee meeting. An annual plan was agreed by the Audit and Risk Committee in December 2021 which covers the activities performed by the function during the year ended 31 December 2022.

During the year, the Group Chief Internal Auditor attended all Audit and Risk Committee meetings and provided the Committee with a detailed report on internal audit activities, which the Committee reviewed and discussed in detail. The Audit and Risk Committee considered the matters raised and the adequacy of management’s response to them, including the time taken to resolve any such matters. The Chair of the Audit and Risk Committee met with the Group Chief Internal Auditor periodically to discuss progress and received reports on the function’s work every month.

The Audit and Risk Committee discussed and reviewed the Group Chief Internal Auditor’s progress in improving the effectiveness of the function. During 2022, beyond completing the approved audit plan, key highlights included:
• building automated dynamic risk assessment tool to help develop audit plan;
• rolled out Group wide fraud awareness activities and tools to employees to support International Fraud Awareness Week in November 2022;
• conducting OT Security audits and independent maturity assessment across the Group as part of our enhanced Cyber Assurance Programme;
• rolling out user friendly “GIA Collaborates” intranet portal for the department’s data assets enabling easy collaboration and knowledge sharing; building digital “In-out” board to increase team connectedness, efficient communications and empowerment whilst on the move;

COMMITTEE ACTION
VAKATION assumptions, prepared by external actuaries and adopted by management, were considered in light of prevailing economic indicators and the view of the external auditors. These were accepted as appropriate.

INTERNAL AUDIT
The Enterprise Risk Management (ERM) framework is designed to identify, measure, manage, monitor and report the principal risks to the Group in achieving its business objectives and is embedded throughout the Group.

During 2022, we continued to monitor and review the principal risks relating to the Group’s business performance that could materially affect our business, financial performance and reputation. A summary of our principal risks can be found on pages 38 to 49. The principal Committees that oversee risk management are the Enterprise Risk Management Committee and the Audit and Risk Committee. The Audit and Risk Committee works closely with the Enterprise Risk Management Committee and is responsible for assisting the Board in its oversight of risk and risk management across the Group.

Risk management reports, prepared by the Group Head of Enterprise Risk & Resilience, were submitted to the Audit and Risk Committee in March 2022, August 2022 and December 2022. These reports summarise submissions from all areas of the Group and were also reviewed by Executive management. The reports highlight the risk mitigation strategies that are employed to reduce potential risk exposure to the acceptable risk tolerance levels.

ROLLING OUT GIA COLLABORATES INTRANET PORTAL FOR THE DEPARTMENT’S DATA ASSETS ENABLING EASY COLLABORATION AND KNOWLEDGE SHARING; BUILDING DIGITAL “IN-OUT” BOARD TO INCREASE TEAM CONNECTEDNESS, EFFICIENT COMMUNICATIONS AND PROMOTIONAL WHILST ON THE MOVE;
AUDIT AND RISK COMMITTEE

In December 2022, the Audit and Risk Committee reviewed the effectiveness of the Group’s overall ERM Policy and framework, including the Group-wide approach to the identification, assessment, mitigation, monitoring and reporting of risks for the year ended 31 December 2022.

INTERNAL CONTROLS
During the year, the Audit and Risk 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 Group’s statements on internal control, 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 a regular evaluation of the extent of the risks to which the Company is exposed.

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

The Audit and Risk Committee reviewed the effectiveness of the Group’s internal control systems and their effectiveness have been in place for the full financial year and up to the date of this report.

WHISTLEBLOWING AND FRAUD
DP World’s Whistleblowing Policy, which supports the Group-wide Code of Ethics, is monitored by the Audit and Risk Committee. A copy of the Group’s Code of Ethics is available on DP World’s website, www.dpworld.com

The Audit and Risk Committee received and considered, at each Audit and Risk Committee meeting, all matters reported through the Group’s global confidential whistleblowing reporting mechanism (telephone and web application), which is operated on its behalf by an independent third party. All fraud matters reported are investigated by DP World’s Fraud Risk Services team and, where appropriate, reported to the Committee, together with details of any corrective action taken. The Committee also received reports at each meeting providing details of fraud known losses in each quarter.

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

KPMG LLP is the Company’s external auditor. The Audit and Risk Committee’s Chair meets the lead audit partner before each meeting and the whole Audit and Risk Committee meets with KPMG at least once a year.

The Audit and Risk 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 auditor of its internal quality procedures. It also received assurances from the auditors regarding their independence. Based on this review, the Audit and Risk Committee recommended to the Board that it supports the re-appointment of the auditors.

GOVERNANCE AND SUSTAINABILITY COMMITTEE

During 2022, the Governance and Sustainability Committee comprised three members, all of whom are Independent Non-Executive Directors. The Secretary to the Committee is Faisal Arekat, Vice President, Group Legal, Governance and Group Company Secretary.

COMMITTEE MEETINGS
The Governance and Sustainability Committee meets formally during the year as required for the purpose of discharging its duties. Attendance at the Governance and Sustainability Committee meetings is set out in the table on page 69.

2022 ACTIVITIES
During the year, the Governance and Sustainability Committee:
- reviewed the Company’s corporate governance framework;
- reviewed the Company’s corporate governance framework; and
- reviewed the Company’s sustainability policies and strategy.

ROLE OF THE COMMITTEE
The Governance and Sustainability Committee is responsible for:
- making recommendations to the Board with regards to any adjustments that the Committee considers necessary;
- ensuring that the Company’s corporate governance structure complies with the applicable corporate governance principles and the best governance practices, to ensure that the Company implements the highest governance standards;
- setting, reviewing, approving and overseeing the Company’s sustainability strategy and management of environmental, social and governance matters;
- reviewing and approving the Company’s sustainability policies, programmes, targets and performance;
- receiving reports on the progress and effectiveness of the Company’s sustainability approach, initiatives and activities, including but not limited to, reporting from management committees such as the Health & Safety Committee, Women’s Council, Charity Committee and the Human Rights Working Group; and
- guiding sustainability reporting that prioritises the needs of stakeholders and aligns sustainability to business strategy, to ensure meaningful disclosure and strong corporate reputation; and
- reviewing and approving the budget for the Company’s sustainability activities.

The full terms of reference of the Governance and Sustainability Committee can be found on DP World’s website, www.dpworld.com

MEMBERS:
Mohamed Al Suwaidi (Committee Chair)
Sultan Bin Saeed Al Mansoori
Sir Tim Clark

MEETINGS ATTENDED:
Mohamed Al Suwaidi (Committee Chair)
Sultan Bin Saeed Al Mansoori
Sir Tim Clark

1 The attendance shown above is based on the current structure of the Board Committees with effect from 09 June 2022.
During 2022, the Nominations and Remuneration Committee comprised three members, all of whom are Independent Non-Executive Directors. The Secretary to the Committee is Faisal Arekat, Vice President, Group Legal, Governance and Group Company Secretary.

COMMITTEE MEETINGS
The Nominations and Remuneration Committee meets formally during the year as required for the purpose of discharging its duties. Attendance at the Nominations and Remuneration Committee meetings is set out in the table on page 69.

2022 ACTIVITIES
During the year, the Nominations and Remuneration Committee:
• considered the current composition of the Board and the mix of skills, knowledge and experience;
• 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 Nominations and Remuneration Committee is responsible for evaluating the balance of skills, knowledge, experience and diversity of the Board and, in particular:
• recommending individuals to be considered to fill vacancies; and
• preparing a description of the role and capabilities required for a particular appointment.

The Nominations and Remuneration 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, the Chair of the Nominations and Remuneration 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 Remuneration Committee for consideration. If the Nominations and Remuneration Committee recommends the candidate’s appointment, the appointment is put to the Board for consideration and, if appropriate, approved.

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

The Nominations and Remuneration 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 Director is involved in any decisions as to their own remuneration.

The full terms of reference of the Nominations and Remuneration Committee can be found on DP World’s website, www.dpworld.com

MEMBERS:
Deepak Parekh (Committee Chair)
Mohamed Al Suwaidi
Phumzile Langeni

MEETINGS ATTENDED:
Deepak Parekh (Committee Chair)
Mohamed Al Suwaidi
Phumzile Langeni

1 The attendance shown above is based on the current structure of the Board Committees with effect from 09 June 2022.
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 a 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;

• fixed 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 Korn Ferry 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 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; and

• reviewed annually to ensure that DP World remains competitive within the marketplace and that it continues to provide the reward mechanisms to aid retention in line with its ability to pay.

ALLOWANCES AND BENEFITS

• can either be cash or non-cash elements based on the level of responsibility as determined by applying a formal job evaluation methodology;

• reflect 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; and

• reviewed annually to ensure that DP World remains competitive within the marketplace 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 on the next page.

PERFORMANCE DELIVERY PLAN (PDP)

Cash-based incentive plan to motivate, drive and reward performance over an operating cycle of one year.

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 terminus’ organisational levels in line with local policies.

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.

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 Nominations and Remuneration Committee.

LONG TERM INCENTIVE PLAN (LTIP)

Cash-based rolling incentive plan to motivate, drive and reward sustained performance over the long-term operating cycle of three years.

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.

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.

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 Nominations and Remuneration Committee.

The LTIP for the 2020-2022 (award to be paid in 2023), 2021-2023 (award to be paid in 2024) and 2022-2024 (award to be paid in 2025) 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.

The LTIP for the cycles described above is worth a maximum of 15% of average annual base salary for the Executive Directors and a maximum of 100% of average annual base salary for other senior managers.
STATEMENT OF DIRECTORS’ RESPONSIBILITIES

The following statement, which should be read in conjunction with the auditors’ responsibility section of the independent auditors’ report, is made to distinguish the respective responsibilities of the Directors and the auditors in relation to the Consolidated Financial Statements.

The Directors are required to prepare Consolidated Financial Statements for each financial year, which present fairly the state of affairs of DP World Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as at the end of the financial year and of the profit and loss for the financial year.

The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) and the applicable provisions of the DIFC Companies Law. In preparing the Consolidated Financial Statements, the Directors are required to select appropriate accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, and state whether all accounting standards which they consider to be applicable have been followed, subject to any material departures disclosed and explained in the Consolidated Financial Statements. The Directors also use a going concern basis in preparing the Consolidated Financial Statements unless this is inappropriate.

The Directors have responsibility for ensuring that the Company keeps accounting records that disclose, with reasonable accuracy at any time, the financial position of the Company and which enable them to ensure that the Consolidated Financial Statements comply with the applicable laws in the relevant jurisdiction.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are also responsible for preparing a Directors’ report and corporate governance statement in accordance with applicable law and regulations.

The Directors consider the Annual Report and the Consolidated Financial Statements, taken as a whole, to be fair, balanced and understandable, and provide necessary information for shareholders to assess the Company’s performance, business model and strategy.

By order of the Board

FAISAL AREKAT
VICE PRESIDENT, GROUP LEGAL, GOVERNANCE AND GROUP COMPANY SECRETARY

21 March 2023
REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

We have audited the consolidated financial statements of DP World Limited ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants including International Independence Standards (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Dubai International Financial Centre ("DIFC") and we have fulfilled our other ethical responsibilities in accordance with those requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. Those matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

IMPAIRMENT ASSESSMENT OF CARRYING VALUE OF GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

Refer to notes 3 and 15 of the consolidated financial statements.

The Group has significant goodwill and intangible assets arising from the acquisition of businesses. The Group's annual impairment testing of goodwill and intangible assets with indefinite useful lives is performed using a discounted cash flow projections based on three-year financial budgets approved by the Board and a further five-year projection estimated by the Group's management. Due to the inherent uncertainty involved in forecasting and discounting future cash flows, which forms the basis of the assessment of recoverability, these are one of the key areas that our audit concentrated on.

OUR RESPONSE TO ADDRESS THE KEY AUDIT MATTER

Our procedures included:

In respect of the cash flows: We considered the Group's procedures used to develop the forecasts and the principles and integrity of the Group's discounted cash flow model and re-performed the calculations of the model results to test their mathematical accuracy. To challenge the reasonableness of those cash flow estimates, we assessed the historical accuracy of the Group's forecasting activities and corroborated the forecasts with reference to publicly available information and other evidence that has been made available during the course of the audit. We also challenged other key inputs, such as the projected and terminal value growth rates.

In respect of the discount rates: We compared the Group's assumptions to externally derived data (for example, bond yields and the course of the audit. We also challenged other key inputs, such as the projected and terminal value growth rates.

In respect of the sensitivity to key assumptions: We assessed the impact to the calculated recoverable amount of the cash generating units by changing discount rates and forecast future cash flows.

We assessed the adequacy of the Group's disclosure in these respects.

IMPAIRMENT ASSESSMENT OF CARRYING VALUE OF C definite ASSETS WITH DEFINITE USEFUL LIVES

Refer to notes 3 and 8 of the consolidated financial statements.

The Group undertook a number of acquisitions and disposals during the year. The Group undertook a number of acquisitions and disposals (monetisation).

During the year, the Group undertook a number of acquisitions and disposals (monetisation).

In accordance with IFRS 3 – Business Combinations and IFRS 10 – Consolidated Financial Statements, the accounting involves identification of assets, including intangible assets, and liabilities and estimating their fair value at the date of acquisition. Significant judgement is involved in relation to the assumptions used in the valuation (using discounted future cash flows) and the purchase price allocation process. Due to the inherent uncertainty involved in discounting future cash flows, there is a risk that these assumptions are inappropriate.

An assessment is required to be made as to the classification of each acquisition as a subsidiary, joint venture, associate or investment based on whether the Group has determined to have control, joint control or significant influence. Such an assessment is also required following the Group's disposal/monetisation of a proportion of its existing investments as this determines the manner of accounting for its remaining stake and the recognition of any resulting gain or loss.

OUR RESPONSE TO ADDRESS THE KEY AUDIT MATTER

Our procedures included:

We have reviewed the assessment performed by the Group to conclude if the acquisition meets the criteria of a business or an asset acquisition. We challenged the Group's critical assumptions in relation to the identification and recognition of the assets and liabilities acquired and the associated fair values by involving our valuation specialists to assess the reasonableness of the assumptions used in the fair value and purchase price allocation process as determined by the Group. We reviewed the resulting adjustments for reasonableness.

We inspected the key terms in the share purchase/sale agreements to assess the control classification of the investments as per IFRS 10 – Consolidated Financial Statements. We have tested that the consideration is in accordance with the signed share purchase/sale agreement. We agreed the consideration by comparing relevant amounts to bank records and considered the appropriateness of the treatment of costs associated with business acquisition and monetisation.

We have assessed the valuation of contingent consideration for reasonableness and we reviewed the calculation of the present value of any deferred consideration for reasonableness.

We assessed the adequacy of the Group's disclosure in these respects.

TAXATION PROVISIONS

Refer to notes 3 and 8 of the consolidated financial statements.

The Group operates in a number of tax jurisdictions whereby it has to estimate the tax effect of applying local legislation in light of the practices of the respective tax authorities, including the impact of cross border transactions and transfer pricing arrangements, which can be complex and uncertain and, therefore, involve significant judgement.

Tax provisions have been estimated by the Group with respect to the tax exposures identified but there is the potential risk that the eventual resolution of a matter with the tax authorities are at an amount materially different to the provision recognised.

OUR RESPONSE TO ADDRESS THE KEY AUDIT MATTER

Our procedures included:

We have considered any large and/or unusual items affecting the effective tax rate and whether any current year items would result in an increased or reduced provision. We tested the Group's deferred tax provisions including the tax rates applied, for reasonableness.

In considering the judgements and estimates of tax provisions, we used our tax specialists to assess the Group's tax positions including assessing correspondence with the relevant tax authorities. We challenged the positions taken by the Group based on our knowledge and experience of the jurisdiction in which the Group operates, specifically relating to the adequacy of provisions and disclosure within the consolidated financial statements.
INDEPENDENT AUDITORS’ REPORT
CONTINUED
TO THE SHAREHOLDER OF DP WORLD LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
KEY AUDIT MATTERS CONTINUED

PENSIONS

Refer to notes 3 and 23 of the consolidated financial statements.

The Group has a number of defined benefit pension schemes. In accordance with IAS 19 – Employee Benefits, the valuation of the pension deficit requires significant judgement and technical expertise in making appropriate assumptions. Changes in a number of the key assumptions including estimated salary increases, inflation, discount rates and mortality assumptions can have a material impact on the calculation of the net pension position. Due to the significance of the pension scheme obligations and the judgements inherent in the actuarial assumptions underpinning their valuation, we considered this to be a key audit matter.

OUR RESPONSE TO ADDRESS THE KEY AUDIT MATTER

Our procedures included:

The Group engages independent actuaries to assist it in calculating the appropriate pension scheme position. We obtained the actuaries’ reports and, with the assistance of our pension specialists, assessed the estimated salary increases, discount and inflation rates used in calculating the pension scheme obligations to our internally developed benchmarks, which are based on externally available data to assess whether these assumptions were within our expected range. We compared the mortality assumption to national and industry averages to assess that these were reasonable.

We also compared the assumptions with those used in previous years, to assess whether the methodology used in arriving at the assumptions year on year was consistent.

We agreed the material assets of the scheme to third party confirmations and where applicable, recalculated asset valuations based in the quoted prices.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditors report thereon. The Annual Report is expected to be made available to us after the date of this auditors’ report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS and their preparation in compliance with the applicable provisions of the Companies Law pursuant to DIFC Law No. 5 of 2018 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Group’s financial reporting process.

AUDITORS’ RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with IAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITORS’ RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditors’ report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We further report that the consolidated financial statements comply, in all material respects, with the applicable provisions of the Companies Law pursuant to DIFC Law No. 5 of 2018.

KPMG LLP

RICHARD ACKLAND
DFSA reference Number: ID24468
Dubai, United Arab Emirates

Date: 16 March 2023
# CONSOLIDATED STATEMENT OF PROFIT OR LOSS
## FOR THE YEAR ENDED 31 DECEMBER

<table>
<thead>
<tr>
<th>Note</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td><strong>USD'000</strong></td>
<td><strong>USD'000</strong></td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(11,919,746)</td>
<td>(11,895,746)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>5,191,502</td>
<td>5,188,002</td>
</tr>
<tr>
<td><strong>General and administrative expenses</strong></td>
<td>64,996</td>
<td>64,996</td>
</tr>
<tr>
<td><strong>Gain/(loss) on disposal and change in ownership</strong></td>
<td>193,353</td>
<td>193,353</td>
</tr>
<tr>
<td><strong>Share of profit/(loss) from equity-accounted investees (net of tax)</strong></td>
<td>165,975</td>
<td>(193,353)</td>
</tr>
<tr>
<td><strong>Results from operating activities</strong></td>
<td>3,034,149</td>
<td>(243,670)</td>
</tr>
<tr>
<td><strong>Finance income</strong></td>
<td>293,993</td>
<td>315,620</td>
</tr>
<tr>
<td><strong>Finance costs</strong></td>
<td>(1,094,307)</td>
<td>(1,008,391)</td>
</tr>
<tr>
<td><strong>Net finance costs</strong></td>
<td>(800,114)</td>
<td>(762,861)</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>2,234,035</td>
<td>2,007,618</td>
</tr>
<tr>
<td><strong>Income tax expense</strong></td>
<td>(394,974)</td>
<td>(237,682)</td>
</tr>
<tr>
<td><strong>Profit for the year</strong></td>
<td>1,839,061</td>
<td>1,770,936</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Before separately disclosed items USD'000</strong></td>
<td><strong>Separately disclosed items USD'000</strong></td>
<td><strong>Total USD'000</strong></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>17,127,248</td>
<td>17,127,248</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(11,939,746)</td>
<td>(11,969,246)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>5,191,502</td>
<td>5,198,002</td>
</tr>
<tr>
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<td><strong>Profit for the year</strong></td>
<td>1,839,061</td>
<td>1,770,936</td>
</tr>
</tbody>
</table>

The accompanying notes form an integral part of these consolidated financial statements.

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# CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 31 DECEMBER

<table>
<thead>
<tr>
<th>Note</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit for the year</strong></td>
<td><strong>USD'000</strong></td>
<td><strong>USD'000</strong></td>
</tr>
<tr>
<td><strong>Other comprehensive income (OCI)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Items that are or may be reclassified to profit or loss:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign exchange translation differences - foreign operations*</td>
<td>(743,010)</td>
<td>(188,743)</td>
</tr>
<tr>
<td>Share of other comprehensive loss of equity-accounted investees</td>
<td>(136,524)</td>
<td>(41,463)</td>
</tr>
<tr>
<td>Cash flow hedges – effective portion of changes in fair value</td>
<td>143,431</td>
<td>54,980</td>
</tr>
<tr>
<td>Cash flow hedges – reclassified to profit or loss</td>
<td>21,341</td>
<td>–</td>
</tr>
<tr>
<td>Related tax</td>
<td>9,339</td>
<td>(4,524)</td>
</tr>
<tr>
<td><strong>Items that will never be reclassified to profit or loss:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remeasurements of post-employment benefit obligations and employees’ end of service benefits</td>
<td>75,421</td>
<td>59,833</td>
</tr>
<tr>
<td>Related tax</td>
<td>9,339</td>
<td>(4,524)</td>
</tr>
<tr>
<td><strong>Other comprehensive expense for the year</strong></td>
<td>(637,924)</td>
<td>(131,476)</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>989,936</td>
<td>1,030,118</td>
</tr>
<tr>
<td><strong>Total comprehensive income attributable to:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owners of the Company</td>
<td>653,340</td>
<td>772,345</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>336,596</td>
<td>257,773</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>989,936</td>
<td>1,030,118</td>
</tr>
</tbody>
</table>

* This comprises foreign exchange differences arising on translation of the financial statements of foreign operations (including the related goodwill and purchase price adjustments) whose functional currencies are different from that of the Company’s presentation currency. A significant portion of movement during 2022 is on account of weakening of the EUR and GBP against USD. There are no differences on translation from the Company’s functional (AED) to presentation currency (USD) as it is pegged to the presentation currency (USD 1: AED 3.6725).

The accompanying notes form an integral part of these consolidated financial statements.
The accompanying notes form an integral part of these consolidated financial statements.

The consolidated financial statements were authorised for issue on 16 March 2023.

The accompanying notes form an integral part of these consolidated financial statements.
The accompanying notes form an integral part of these consolidated financial statements.
2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Actual results may differ from the estimates and judgements made by the management in the above matters. Revisions to the accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Management has also reassessed significant judgements, estimates and assumptions due to the current economic uncertainties arising from the ongoing Russia-Ukraine war and concluded that there is no significant direct impact on the Group’s operations or financial position.

D) PRESENTATION OF INFORMATION

These consolidated financial statements are presented in United States Dollars (“USD”) which is the Company’s presentation currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

E) NEW STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods. These include:

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current
- Definition of Accounting Estimates – Amendments to IAS 8
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

3. SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been consistently applied in the preparation of these consolidated financial statements throughout the Group to all the years presented, unless otherwise stated.

A) BASIS OF CONSOLIDATION

I. SUBSIDIARIES

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group accounts for business combinations (including common control transactions) using the acquisition method when the acquired set of activities and assets meets the definition of a ‘business’ and ‘control’ is transferred to the Group.

The consideration (including contingent consideration) transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Transaction costs incurred for business combinations are expensed as incurred.

For each significant business combination, the Group engages external, independent and qualified valuers who have the relevant experiences to carry out the fair valuation exercise of the net assets based on market-related assumptions and weighted average cost of capital.

II. BUSINESS COMBINATION ACHIEVED IN STAGES

On business combination achieved in stages, the acquirer’s previously held interest in the acquiree is remeasured at fair value at the date of acquisition with any resulting gain or loss recognised in the consolidated statement of profit or loss.

III. CHANGE IN OWNERSHIP INTERESTS IN SUBSIDIARIES WITHOUT LOSS OF CONTROL

Changes in the Group’s interests in a subsidiary that does not result in a loss of control are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The difference between the fair value of any consideration paid or received and relevant shares acquired or disposed of in the carrying value of net assets of the subsidiary is recorded in equity and not in the consolidated statement of profit or loss.

IV. DISPOSAL OF SUBSIDIARIES (LOSS OF CONTROL)

On loss of control, the Group derecognises the subsidiary and recognises any surplus or deficit arising on the loss of control in the consolidated statement of profit or loss. Any retained interest is re-measured at fair value on the date control is lost and is subsequently accounted for as an equity-accounted investee or as a fair value through other comprehensive income (FVOCI) equity investment depending on the level of influence retained.

3. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

A) BASIS OF CONSOLIDATION CONTINUED

V. NON-CONTROLLING INTERESTS

For each business combination, the Group elects to measure any non-controlling interests either at their proportionate share of the acquiree’s identifiable net assets at the date of acquisition or their fair value.

Where a put option is held by a non-controlling interest in a subsidiary, whereby that party can require the Group to acquire the NCI’s shareholding in the subsidiary at a future date, but the NCI retain present access to the results of the subsidiary, the Group applies the present access method of accounting to this arrangement. The Group recognises a put option liability at its discounted fair value, being the Group’s estimate of the amount required to settle that liability with a corresponding reserve in equity. Any subsequent remeasurements of put option liability due to changes in the fair value of the put liability estimation are recognised in retained earnings within the equity and in the consolidated statement of profit or loss.

VI. STRUCTURED ENTITIES

Structured entities are those entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity and the relevant activities of these entities are directed by means of contractual arrangements. The Group has established various structured entities for issuing various sukuk certificates and subordinated perpetual certificates. The Group does not have any direct or indirect shareholding in these entities. The Group controls and consolidates these structured entities when it is exposed to, or has rights to, variable returns from its involvement with these entities and has the ability to affect those returns through its power over these entities.

VII. INTERESTS IN ASSOCIATES AND JOINT VENTURES

The Group has interests in associates and joint ventures (together referred to as ‘interests in equity-accounted investees’). An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Interests in equity-accounted investees are accounted for using the equity method and are initially recorded at cost including transaction costs. The Group’s interests include fair value adjustments (including goodwill) net of any accumulated impairment losses.

At each reporting date, the Group determines whether there is an objective evidence that the interests in the equity-accounted investees are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the equity-accounted investee and its carrying value and recognises the impairment losses in the consolidated statement of profit or loss.

VIII. TRANSACTIONS ELIMINATED ON CONSOLIDATION

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing these consolidated financial statements. Unrealised gains arising from the transactions with equity-accounted investees are eliminated against the interests to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

B) FOREIGN CURRENCY TRANSLATION

I. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The functional currency of the Company is UAE Dirhams (“AED”) which is different to the Company’s presentation currency which is the United States Dollar (“USD”). There are no differences on translation from the Company’s functional currency to the presentation currency as it is pegged to the presentation currency (USD 1: AED 3.6725).

II. FOREIGN CURRENCY TRANSACTIONS AND BALANCES

For each Group entity, foreign currency transactions are translated into the entity’s functional currency using the exchange rates prevailing at the dates of the transactions. Foreign-exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the consolidated statement of profit or loss. Non-monetary assets and liabilities denominated in foreign currency are translated to the functional currency of each entity at the foreign exchange rate ruling at the date of transaction with no further remeasurement in future periods.
Notes to the Consolidated Financial Statements

3. Significant Accounting Policies

B. Foreign Currency Translation

For the preparation of these consolidated financial statements, the financial statements of each Group entity are translated into USD, the Group’s presentation currency, as follows:

- All assets and liabilities are translated to USD using the year and exchange rates.
- Items of profit or loss and other comprehensive income are translated using the average rate for the year.
- Shareholders’ equity items are translated using their historical rates.
- Differences arising on translation of the entity’s foreign currency balances to USD are recognised in other comprehensive income and accumulated in the translation reserve except to the extent of share of non-controlling interests in such differences. Accumulated translation differences are recycled to profit or loss on de-recognition of foreign operations as part of the gain or loss on such derecognition. In case of partial derecognition, accumulated differences proportionate to the stake derecognised are recycled.

If the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, then foreign currency differences arising from such item form part of the net investment in the foreign operation. Accordingly, such differences are recognised in the consolidated statement of other comprehensive income and accumulated in the translation reserve.

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in the consolidated statement of other comprehensive income, to the extent that the hedge is effective.

C. Financial Instruments

I. Non-Derivative Financial Assets

Classification, Initial Recognition and Measurement

On initial recognition, a financial asset is measured at fair value and is subsequently classified as a financial asset measured at:

- Amortised cost;
- Fair value through other comprehensive income (“FVOCI”) – debt instrument;
- FVOCI – equity instrument; or
- Fair value through profit or loss (“FVTPL”).

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and also on the basis of the contractual cash flows characteristics of the financial instrument.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IFRS and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition of Financial Assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred and it does not retain control of the financial asset.
3. SIGNIFICANT ACCOUNTING POLICIES CONTINUED
D) PROPERTY, PLANT AND EQUIPMENT
I. RECOGNITION AND MEASUREMENT
Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (refer to note 3(l)(i)).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of a self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use and the cost of dismantling and removing the items and restoring the site on which they are located. Such property, plant and equipment does not directly increase the future economic benefits of any particular existing item of property, plant and equipment, but may be necessary for an entity to obtain the future economic benefits from its other assets.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Capital work-in-progress is measured at cost less impairment losses and not depreciated until such time the assets are ready for intended use and transferred to the respective category under property, plant and equipment.

Dredging costs are depreciated on a straight-line basis based on the lives of various components of dredging.

Dredging expenditure is categorised into capital dredging and major maintenance dredging. Capital dredging is expenditure which includes creation of a new harbour, deepening or extension of the channel berths or waterways in order to allow access to larger ships which will result in future economic benefits for the Group. This expenditure is capitalised and amortised over the expected period of the relevant concession agreement. Major maintenance dredging is expenditure incurred to restore the channel to its previous condition and depth. Maintenance dredging is regarded as a separate component of the asset and is capitalised and amortised evenly over 10 years.

II. SUBSEQUENT COSTS
The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably.

III. DEPRECIATION
Land and capital work in progress are not depreciated. Depreciation on other assets is recognised in the consolidated statement of profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment and is based on cost less residual value. Leased assets are depreciated on straight-line basis over their estimated useful lives or lease term, whichever is shorter.

The estimated useful lives of assets are as follows:

<table>
<thead>
<tr>
<th>Assets</th>
<th>Useful Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>6 – 50</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>1 – 25</td>
</tr>
<tr>
<td>Vessels and transport fleet</td>
<td>5 – 30</td>
</tr>
<tr>
<td>Dredging (included in land and buildings)</td>
<td>10 – 99</td>
</tr>
</tbody>
</table>

Dredging costs are depreciated on a straight-line basis based on the lives of various components of dredging.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES CONTINUED
D) PROPERTY, PLANT AND EQUIPMENT CONTINUED
IV. BORROWING COSTS
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time, the assets are substantially ready for their intended use or sale.

E) INVESTMENT PROPERTIES
Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment property is carried at cost less accumulated depreciation and impairment, if any. Subsequent expenditure is capitalised to the asset’s carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Investment property under construction is not depreciated until such time as the relevant assets are completed and commissioned.

Land is not depreciated. Depreciation is calculated using the straight-line method to allocate the cost to the residual values over the estimated useful lives, as follows:

<table>
<thead>
<tr>
<th>Assets</th>
<th>Useful Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>20 – 50</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>5 – 50</td>
</tr>
</tbody>
</table>

The useful lives and depreciation methods are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

F) LAND USE RIGHTS
Land use rights represent the prepaid lease payments of leasehold interests in land under operating lease arrangements. These rights are amortised using the straight-line method to allocate the cost over the term of rights of 99 years.

G) GOODWILL
Goodwill arises on the acquisition of subsidiaries and equity-accounted investees. Goodwill represents the excess of the cost of the acquisition over the Group’s interest in the net fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is measured at cost less accumulated impairment losses (refer to note 3(l)(i)). Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. An impairment loss in respect of goodwill is not reversed.

In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment and is not tested for impairment separately.

H) PORT CONCESSION RIGHTS AND OTHER INTANGIBLE ASSETS
The Group classifies the port concession rights as intangible assets as the Group bears demand risk over the infrastructure assets. Substantially all of the Group’s terminal operations are conducted pursuant to long-term operating concessions or leases entered into with the owner of a relevant port for terms generally between 25 and 50 years (excluding the port concession rights relating to equity-accounted investees).

I. PORT CONCESSION RIGHTS
a. Port concession rights arising on business combinations
The cost of port concession rights acquired in a business combination is the fair value as at the date of acquisition.

Following initial recognition, port concession rights are carried at cost less accumulated amortisation and any accumulated impairment losses (refer to note 3(iii)). The useful lives of port concession rights are assessed to be either definite or indefinite.

Port concession rights with definite lives are amortised on a straight-line basis over the useful economic life and assessed for impairment whenever there is an indication that the port concession rights may be impaired. The amortisation period and amortisation method for port concession rights with finite useful lives are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expenses on port concession rights with finite useful lives are recognised in the consolidated statement of profit or loss on a straight-line basis.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

H) PORT CONCESSION RIGHTS AND OTHER INTANGIBLE ASSETS CONTINUED

I. PORT CONCESSION RIGHTS

a. Port concession rights arising on business combinations

Port concession rights with indefinite lives (arising where freehold rights are granted) are not amortised and are tested for impairment at least on an annual basis or when the impairment indicator exists, either individually or at the cash-generating unit level. The useful life of port concession rights with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

b. Port concession rights arising on entering into concession contracts

Any amounts paid by the operator to the grantor as a consideration for obtaining the rights relating to concession arrangements are accounted for as part of service concession assets, and they are amortised over the life of the concession period on a straight-line basis.

The Group commonly starts negotiations regarding renewal of concession agreements with approximately 5-10 years remaining on the term and often obtains renewals or extensions on the concession agreements in advance of their expiration in return for a commitment to make certain capital expenditures in respect of the subject terminal. In addition, such negotiations may result in the re-basing of rental charges to reflect prevailing market rates. However, based on the Group’s experience, incumbent operators are typically granted renewal often because it can be costly for a port owner to switch operators, both administratively and due to interruptions to port operations and reduced productivity associated with such transactions.

II. ASSETS ARISING FROM SERVICE CONCESSION ARRANGEMENTS (IFRIC 12)

The Group recognises assets arising from a service concession arrangement, in which the grantor (government or port authorities) controls and regulates the services provided and the prices charged and controls any significant residual interest in the infrastructure such as property, plant and equipment, existing infrastructure of the grantor, the infrastructure constructed or purchased by the Group as part of the service concession arrangement. Nine of the Group's seaport terminals in emerging markets are accounted as service concession arrangements.

Any amounts paid by the operator to the grantor as a consideration for obtaining the rights relating to concession arrangements are accounted for as part of service concession assets, and they are amortised over the life of the concession period on a straight-line basis.

Service concession assets also include certain property, plant and equipment which are reclassified as intangible assets in accordance with IFRIC 12 ‘Service Concession Arrangements’. Those assets are amortised based on the lower of their useful lives or concession period.

Gains or losses arising from derecognition of service concession assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss when the asset is derecognised.

The estimated useful lives for service concession assets range within a period of 15 – 50 years.

III. CUSTOMER RELATIONSHIPS

Customer relationships are recognized at fair value in business combinations at the date of acquisition. Customer relationships are amortised on a straight-line basis over the useful economic life and assessed for impairment, whenever there is an indication for impairment. The amortisation period and amortisation method are reviewed at least once every financial year.

The estimated useful lives for customer relationships range within a period of 15 – 20 years.

J) INVENTORIES

Inventories mainly consist of spare parts, consumables, merchandise inventories and fuel. Inventories are measured at the lower of cost and net realisable value. The cost of inventories is determined using cost formulas based on the nature and use of inventory and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition. The Group uses weighted average method for fuel, spares and consumables items and first in first out method for fast-moving consumer goods (FMCG) and pharmaceutical merchandise. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

K) LEASES

I. GROUP AS A LESSEE

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated over the shorter of the asset’s useful life or the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

II. LEASES

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

• fixed payments, including in-substance fixed payments;
• variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
• amounts expected to be payable under a residual value guarantee; and
• the exercise price under an arrangement that the Group has reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revision in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents its right-of-use assets and lease liabilities separately on statement of financial position. Variable lease payments that depend on revenue and output are recognised in statement of profit or loss in the period in which the condition that triggers those payments occurs.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

K. LEASES CONTINUED

I. LEASES

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of revenue.

L. IMPAIRMENT

I. NON-FINANCIAL ASSETS

The carrying amounts of the Group's non-financial assets, other than properties and deferred tax assets are reviewed for impairment whenever there is an indicator of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, the assets are grouped together into smallest group of assets (cash-generating unit or ''CGU'') that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Goodwill and property, plant and equipment, goodwill and property, plant and equipment, and a subsequent impairment loss would be reversed to the extent that the asset's carrying amount is above its recoverable amount.

III. OTHER FINANCIAL INSTRUMENTS

I. HYBRID EQUITY INSTRUMENT

The subordinated perpetual certificates ("hybrid bond") issued by the Group incorporate options for redemption at the initiative of the Company. These options may be exercised after a minimum period that depends on the specific terms of the issue, and subsequently at each coupon date or in the event of highly specific circumstances. The annual coupon rate is fixed and reviewable based on contractual clauses that vary according to the specific terms of the issue. There is no contractual obligation for the Company to make any profit payment, due to the existence of contractual clauses entitling it to defer payment indefinitely. However, those clauses stipulate that any deferred payments must be made in the event of a dividend distribution to the shareholders. At these features give the Company an unconditional right to avoid paying out cash or another financial asset for the principal or profit. Consequently, in compliance with IAS 32, these subordinated perpetual bonds are recorded as hybrid equity instrument, net of transaction costs and any coupon payment made is treated as dividends (refer to note 32).
3. SIGNIFICANT ACCOUNTING POLICIES CONTINUED

I. REVENUE FROM PORTS AND TERMINALS
The Group’s revenue consists of port-related services (containerised stevedoring, break-bulk and general cargo, service concession revenue, lease rentals, drydocking, marine services, logistics services (contract logistics, market access, freight forwarding and freight management) and revenue from sale of plots of land.

The following specific recognition criteria must also be met before revenue is recognised:

The Group’s revenue consists of port-related services (containerised stevedoring, break-bulk, general cargo, and marine services) which are generally carried out in a short span of time. These port-related services are contracted with the customers as a single transaction. These port-related services have a high degree of integration and, accordingly, constitute a single distinct performance obligation for the Group. Revenue from these services is recognised at the point in time when the services are rendered to the customer and are usually payable within 30 to 45 days.

The Group also provides container storage services at the request of the customer based on the usage period in the storage yard which constitute a specific performance obligation. Revenue from container storage services is recognised over a period of storage days and are usually payable within 30 to 45 days.

For revenue recognition, the Group determines the transaction price in accordance with the tariff rates published by the port authorities in certain jurisdictions or agreed rates with the customers.

The Group also engages in service concession arrangements which are contracts entered into with government authorities for the construction of the infrastructure necessary for the provision of services are measured at the fair value of the consideration received or receivable. Revenue from service concession arrangements is recognised on the fair value of construction work performed at the reporting date. The Group recognises revenue and costs relating to construction services over a period of time by reference to the stage of completion of the contract using the input method.

II. REVENUE FROM LOGISTICS SERVICES
These consist of contract logistics, market access and freight management services.

Contract logistics include revenue from warehousing management, synchronisation management, reverse logistics services, fulfilment of third-party product, performance of sub-assembly and sequencing services, integrated contract logistics, distribution management and managed services. Revenue from contract logistics is recognised over a period of time, as and when performance obligations are fulfilled. This is measured using stage of completion method based on the services performed to date as a percentage of total services to be performed.

The Group incurs direct set-up costs for long-term customer arrangements (“contract launch costs”), which are deferred and amortised over the life of the service contract. Such capitalised costs are tested for impairment at the end of each reporting period. Costs to acquire a contract that would have been incurred regardless of whether the contract was obtained, shall be recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.

Market access revenue includes revenue from sale of fast-moving consumer goods and pharmaceutical products. The Group provides market access services mainly by obtaining exclusive or non-exclusive distributorship for the third-party products. Revenue from market access is recognised at the point in time when the control over the product is transferred to the customer.

Freight management entails the movement of goods on behalf of customers between specified sources and destinations using different transportation modes (road, river, rail, air, and ocean) and different transportation types. Revenue from freight management is recognised over a period of time, as and when performance obligations are fulfilled. This is measured using stage of completion method based on the services performed to date as a percentage of total services to be performed.

III. REVENUE FROM MARITIME SERVICES
Revenue represents the amounts derived from the operation of ferry services, voyage freight income, freight forwarding income, road transport services, warehousing revenue, marine-charter revenue and income from mobilisation or demobilisation of marine vessels.

Freight forwarding revenue is recognised over time as the performance obligation is satisfied, including a share of revenue from incomplete voyages at the balance sheet date.

V. REVENUE FROM LEASE RENTALS AND SERVICES FROM ECONOMIC ZONES
A lease rental is recognised on a straight-line basis over the lease term. Where the consideration for the lease is received for a subsequent period, the attributable amount of revenue is deferred and recognised in the subsequent period. Unrecognised revenue is classified as deferred revenue under liabilities in the consolidated statement of financial position.

Revenue from administrative services, licensing and registration is recognised at the point in time when the services are rendered to the customer.

VI. REVENUE FROM SALE OF PLOTS OF LAND
Revenue from sale of plots of land is recognised when the control is transferred to the buyer. Control generally transfers when the customer has an ability to direct its use and obtains substantially all of its economic benefits.

Q. FINANCE INCOME AND COSTS
Finance income comprises interest income on cash and cash equivalents and gains on hedging instruments that are recognised in the consolidated statement of profit or loss. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprises interest expense on borrowings, unwinding of discount on provisions, impairment losses recognised on financial assets, losses on hedging instruments and fair value changes of debt instruments that are recognised in the consolidated statement of profit or loss.

Finance income and costs also include realised and unrealised exchange gains and losses on monetary assets and liabilities (refer to note 9 (B) (i)).
NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS
CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES CONTINUED
R) INCOME TAX

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the consolidated statement of profit or
loss except to the extent that it relates to a business combination, or items recognised directly in consolidated statement of other
comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the
reporting date in the countries where the Group operates and generates taxable income. It also includes any adjustment to tax payable
in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and
liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax reflects the manner of recovery
of underlying assets and is measured at the prevailing tax rates that are expected to be applied to the temporary differences when
they reverse.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary
differences can be utilized. Deferred tax assets are reviewed periodically and reduced to the extent that it is no longer probable that
the related tax benefit will be realised.

Current tax and deferred tax assets and liabilities are offset only if certain criteria are met.

S) SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur
expenses, including revenues and expenses that relate to transactions with any of the Group's other components for which discrete
financial information is available. All operating segments' operating results are reviewed regularly by the Company's Board of Directors
("Chief Operating Decision Maker") to assess performance.

T) SEPARATELY DISCLOSED ITEMS

The Group presents, as separately disclosed items on the face of the consolidated statement of profit or loss, those items of income
and expense which, because of the nature, are not considered to be part of the principal activities of the Group and therefore, merit
separate presentation. This is to allow users to understand better the elements of financial performance in the period so as to facilitate
a comparison with prior periods and a better assessment of trends in financial performance.

4. SEGMENT INFORMATION

The Group has identified the following geographic areas as its basis of segmentation.

- Middle East, Europe and Africa
- Asia Pacific and India
- Americas
- Australia and New Zealand
- Middle East, Europe, and Africa
- Other

In addition to the above reportable segments, the Group reports unallocated head office costs, finance costs, finance income and tax
expense under the head office segment.

Each of these operating segments has an individual appointed as Segment Director responsible for these segments, who in turn
reports to the Chief Operating Decision Maker.

4. SEGMENT INFORMATION
CONTINUED

The Group measures segment performance based on the earnings before separately disclosed items, interest, tax, depreciation and
amortisation ("Adjusted EBITDA"). Although this is an non-IFRS measure, this will provide additional information to the users of the
consolidated financial statements.

The Chief Operating Decision Maker also monitors certain key performance ratios from the perspective of capital management which
are disclosed in note 36.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, investment property,
and port concessions other than goodwill and right of assets added under IFRS 16 – Leases.

The Group is reassessing its current operating segments to be more aligned to the Group’s new focus on the following main pillars:
Ports and Terminals, Logistics, Parks and Economic Zones and Marine Services. This will result in new reportable segments in the
2023 financial statements.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. SEGMENT INFORMATION

4. SEGMENT INFORMATION CONTINUED

Geographic Information

<table>
<thead>
<tr>
<th>Country/Segment</th>
<th>2022 USD'000</th>
<th>2021 USD'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAE</td>
<td>3,216,074</td>
<td>3,049,208</td>
</tr>
<tr>
<td>Other countries</td>
<td>13,911,174</td>
<td>7,728,780</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>17,127,248</td>
<td>10,777,988</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAE</td>
<td>10,925,221</td>
<td>10,890,922</td>
</tr>
<tr>
<td>Other countries</td>
<td>25,772,590</td>
<td>24,066,659</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>36,697,811</td>
<td>34,957,581</td>
</tr>
</tbody>
</table>

*Non-current assets exclude financial instruments, deferred tax assets and employee benefits assets.

5. REVENUE

Revenue from contracts with customers

- Ports and terminals: 6,058,169 USD'000
- Logistics services: 6,645,896 USD'000
- Maritime services: 2,967,789 USD'000
- Drydocking services: 534,548 USD'000
- Parks and economic zones: 134,440 USD'000
- Sale of plots of land: 13,732 USD'000

**Total:** 16,353,583 USD'000

Revenue from leasing activities

- Maritime services: 250,747 USD'000
- Parks and economic zones: 522,918 USD'000

**Total:** 772,665 USD'000

**Total revenue:** 17,127,248 USD'000

For geographical segmentation and information on disaggregated revenue, refer to note 4.

6. PROFIT FOR THE YEAR

**Profit for the year:** 3,294,031 USD'000

**Staff costs:** 1,075,979 USD'000

**Depreciation and amortisation:** 1,489,282 USD'000

**Impairment loss (refer to note 9):** 253,047 USD'000
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

7. FINANCE INCOME AND COSTS

<table>
<thead>
<tr>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Finance income</strong></td>
<td></td>
</tr>
<tr>
<td>Interest income*</td>
<td>227,217</td>
</tr>
<tr>
<td>Exchange gains</td>
<td>66,776</td>
</tr>
<tr>
<td><strong>Finance income before separately disclosed items</strong></td>
<td>293,993</td>
</tr>
<tr>
<td>Separately disclosed items (refer to note 9)</td>
<td>31,527</td>
</tr>
<tr>
<td><strong>Finance income after separately disclosed items</strong></td>
<td>325,520</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Finance costs</strong></td>
<td></td>
</tr>
<tr>
<td>Interest expense on loans and borrowings**</td>
<td>(769,380)</td>
</tr>
<tr>
<td>Interest expense on lease liabilities</td>
<td>(204,130)</td>
</tr>
<tr>
<td>Exchange losses</td>
<td>(89,947)</td>
</tr>
<tr>
<td>Other net financing expense in respect of pension plans</td>
<td>(10,650)</td>
</tr>
<tr>
<td><strong>Finance costs before separately disclosed items</strong></td>
<td>(1,094,107)</td>
</tr>
<tr>
<td>Separately disclosed items (refer to note 9)</td>
<td>(14,274)</td>
</tr>
<tr>
<td><strong>Finance costs after separately disclosed items</strong></td>
<td>(1,108,381)</td>
</tr>
<tr>
<td>Net finance costs before separately disclosed items</td>
<td>(800,114)</td>
</tr>
<tr>
<td>Separately disclosed items</td>
<td>17,253</td>
</tr>
<tr>
<td><strong>Net finance costs after separately disclosed items</strong></td>
<td>(782,861)</td>
</tr>
</tbody>
</table>

* This includes interest income of USD 104,497 thousand (2021: USD 98,252 thousand) on loan given to Parent Company.
** This includes interest expense of USD 65,043 thousand (2021: USD 30,837 thousand) on loans from non-controlling shareholders.

8. INCOME TAX

The major components of income tax expense for the year ended 31 December:

<table>
<thead>
<tr>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net profit before tax</strong></td>
<td>2,007,618</td>
</tr>
<tr>
<td>Adjustments for tax on income of equity-accounted investees</td>
<td>52,977</td>
</tr>
<tr>
<td><strong>Tax charge of equity-accounted investees</strong></td>
<td>52,977</td>
</tr>
<tr>
<td>Change in estimates related to prior years</td>
<td>21,010</td>
</tr>
<tr>
<td>Adjusted profit before tax and before separately disclosed items</td>
<td>235,622</td>
</tr>
<tr>
<td>Effective tax rate before separately disclosed items</td>
<td>21.00%</td>
</tr>
<tr>
<td>Effective tax rate after separately disclosed items</td>
<td>19.59%</td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

8. INCOME TAX CONTINUED

B. GROUP TAX RATES

The Group is not subject to income tax on its UAE operations in the current period. The total tax expense relates to the tax payable on the profit earned by the overseas subsidiaries and equity-accounted investees as adjusted in accordance with the taxation laws and regulations of the countries in which they operate. The applicable tax rates in the regions in which the Group operates are set out below:

Geographical segments

<table>
<thead>
<tr>
<th>Geographical segments</th>
<th>Applicable tax rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific and India</td>
<td>2.5% to 34.9%</td>
</tr>
<tr>
<td>Australia and Americas</td>
<td>0% to 36.0%</td>
</tr>
<tr>
<td>Middle East, Europe and Africa</td>
<td>0% to 33.3%</td>
</tr>
</tbody>
</table>

Movement in temporary differences during the year:

<table>
<thead>
<tr>
<th>Date</th>
<th>Gross amount USD’000</th>
<th>Tax effect USD’000</th>
<th>Expiry date</th>
<th>Net deferred tax liabilities USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 January 2022</td>
<td>Recognised in consolidated statement of profit or loss USD’000</td>
<td>Acquisitions in the period USD’000</td>
<td>Translation and other movements USD’000</td>
<td>31 December 2022 USD’000</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>277,782</td>
<td>12,708</td>
<td>111,214</td>
<td>13,747</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>28,423</td>
<td>14,520</td>
<td>-</td>
<td>(3,213)</td>
</tr>
<tr>
<td>Interests in equity-accounted investees</td>
<td>683,967</td>
<td>24,963</td>
<td>86,728</td>
<td>(78,915)</td>
</tr>
<tr>
<td>Financial instruments</td>
<td>6,870</td>
<td>(41,275)</td>
<td>(562)</td>
<td>37,695</td>
</tr>
<tr>
<td>Others</td>
<td>239,595</td>
<td>26,890</td>
<td>(11,668)</td>
<td>(26,945)</td>
</tr>
<tr>
<td>Total before set-off</td>
<td>1,236,237</td>
<td>(11,320)</td>
<td>185,712</td>
<td>(55,631)</td>
</tr>
<tr>
<td>Net deferred tax liabilities</td>
<td>(129,065)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,107,172</td>
<td>114,631</td>
<td>130,047</td>
<td>130,047</td>
</tr>
</tbody>
</table>

Deferred tax liabilities have been offset if certain criteria are met.

UNRECOGNISED TAX LOSSES

Deferred tax assets have not been recognised by some of the subsidiaries on their trading losses where there is insufficient certainty as to their utilisation, either because they have not been agreed with tax authorities, or uncertainties of future profits or the impact of tax holidays. The Group continuously reviews these unrecognised tax losses and will consider recognising them as deferred tax asset in future depending on the assessed likelihood of utilisation.

<table>
<thead>
<tr>
<th>Date</th>
<th>Gross amount USD’000</th>
<th>Tax effect USD’000</th>
<th>Expiry date</th>
<th>Net deferred tax assets USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 January 2022</td>
<td>Recognised in consolidated statement of profit or loss USD’000</td>
<td>Acquisitions in the period USD’000</td>
<td>Translation and other movements USD’000</td>
<td>31 December 2022 USD’000</td>
</tr>
<tr>
<td>Restructuring costs</td>
<td>59,875</td>
<td>8,571</td>
<td>2023-2026</td>
<td>8,571</td>
</tr>
<tr>
<td>Capital losses</td>
<td>1,310,634</td>
<td>352,551</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,360,509</td>
<td>361,122</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

UNRECOGNISED TAX CREDITS AND OTHER TIMING DIFFERENCES

In addition to the above, the Group also carries forward USD 70,416 thousand of unrecognised tax credits and USD 138,766 thousand of deductible temporary differences. No deferred tax liability has been recognised in respect of undistributed earnings of the Group’s subsidiaries.

9. SEPARATELY DISCLOSED ITEMS

Cost of sales
Impairment of property, plant and equipment | (53,500) | (92,240) |
General and administrative expenses
Restructuring costs | (67,084) | (2,497) |
Acquisition costs | (25,570) | (26,748) |
Impairment of assets | (195,547) | (15,002) |
Pension costs | (39,464) | - |
Remeasurements of contingent consideration | (5,896) | - |
| | (337,561) | (44,847) |
Share of loss from equity-accounted investees | (45,962) | (87,077) |
Gain/(loss) on disposal and change in ownership | 193,353 | (9,508) |
Finance income:
Interest income | 8,459 | 8,425 |
Gain on early settlement of a financial liability at discount | 28,668 | - |
| | 31,527 | 8,425 |
Finance costs
Loss on termination of financial instruments and unamortised transaction costs | (7,812) | (14,163) |
Loss on fair valuation of financial instruments | (6,462) | (6,583) |
| | (14,274) | (20,746) |
Income tax | 15,876 | 53,706 |
| | | 71,582 |
Total | (211,201) | (191,687) |

GENERAL AND ADMINISTRATIVE EXPENSES:

Restructuring costs mainly relate to severance pay associated with redundancies in subsidiaries in ‘Middle East, Europe and Africa’ region (2021: mainly relate to severance pay associated with redundancies in a subsidiary in ‘Australia and Americas’ region).

Acquisition costs amounting to USD 25,570 thousand represent advisory, legal, valuation, professional consulting, general and administrative costs directly related to various business acquisitions in the Group. (2021: USD 26,748 thousand).

Impairment of assets mainly relate to impairment of a technology venture, accounted for as equity accounted investee; of USD 186,689 thousand in ‘Australia and Americas’ region based on management’s decision to cease funding for the project and USD 12,858 thousand impairment mainly in subsidiaries in the ‘Middle East, Europe and Africa’ region (2021: USD 12,858 thousand).

Impairment of assets mainly relate to impairment of vessels in a subsidiary in the ‘Middle East, Europe and Africa’ region (2021: USD 92,240 thousand in a subsidiary in the ‘Middle East, Europe and Africa’ region).

Pension costs relates to additional benefits provided to scheme members covered under if health early retirement in the ‘Middle East, Europe and Africa’ region (2021: Nil).

Remeasurements of contingent consideration relates to change in fair value of contingent consideration relating to various business acquisitions in the ‘Middle East, Europe and Africa’ region.

Share of loss from equity-accounted investees relates to the Group’s share of expenses in technology ventures in the ‘Australia and Americas’ region.

Gain/(loss) on disposal and change in ownership mainly relates to the gain on disposal and fair valuation of existing interest in equity accounted investees in the ‘Middle East, Europe and Africa’ region and ‘Asia Pacific and India’ region (2021: relates to the loss on sale of a subsidiary in the ‘Australia and Americas’ region).
9. SEPARATELY DISCLOSED ITEMS CONTINUED
GENERAL AND ADMINISTRATIVE EXPENSES: CONTINUED

Finance income:
• Ineffective interest rate swap gain relates to ineffective element of cashflow hedge in subsidiaries in the 'Asia Pacific and India' region and 'Middle East, Europe and Africa' region (2021: USD 8,425 thousand in the 'Middle East, Europe and Africa' region and 'Asia Pacific and India' region).

• Gain on early settlement of a financial liability at discount in a subsidiary in the 'Asia Pacific and India' region (2021: Nil).

Finance costs:
• Ineffective interest rate swap loss of USD Nil (2021: Nil).

• Loss on termination of financial instruments of USD 7,812 thousand in the 'Middle East, Europe and Africa' region (2021: 14,163 thousand on termination of swaps and unamortised transaction costs written off on termination of loans in the 'Australia and Americas' region).

• Loss on fair valuation of financial instruments of USD 8,462 thousand in the 'Asia Pacific and India' region (2021: 6,583 thousand).

Income tax mainly relates to tax impact on above separately disclosed items (2021: mainly relates to deferred tax liability reversal arising from tax restructurings undertaken in a subsidiary in the 'Australia and Americas' region).

10. DIVIDENDS

Dividend declared and paid
Final ordinary dividend for 2022: USD 0.33 per share (2020: USD 0.05 per share)
Interim special dividend for 2022: USD 0.03 per share (2021: Nil)
Final special dividend for 2022: USD 4.40 per share (2021: Nil)
Final ordinary dividend for 2021: USD 0.33 per share (2020: USD 0.21 per share)
Interim special dividend for 2021: USD 5.03 per share (2021: Nil)
Final ordinary dividend for 2021: Nil (2020: USD 0.33 per share)

Dividend declared but not paid
Transfer from/(to) investment properties (refer to note 13)
Transfer to intangible assets (refer to note 14)
Transfer from investment properties (refer to note 14)
Transfer from/(to) investment properties (refer to note 13)
Translation adjustments

As at 1 January 2022

As at 31 December 2022

11. PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Land and buildings USD’000</th>
<th>Plant and equipment USD’000</th>
<th>Vessels and transport fleet USD’000</th>
<th>Capital work in progress USD’000</th>
<th>Total USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>As at 1 January 2021</td>
<td>6,775,290</td>
<td>7,177,625</td>
<td>2,280,169</td>
<td>17,437,718</td>
</tr>
<tr>
<td></td>
<td>Acquired through business combination</td>
<td>949</td>
<td>87,307</td>
<td>60,365</td>
<td>192,511</td>
</tr>
<tr>
<td></td>
<td>Additions</td>
<td>20,887</td>
<td>230,891</td>
<td>86,908</td>
<td>346,686</td>
</tr>
<tr>
<td></td>
<td>Transfers</td>
<td>255,314</td>
<td>400,386</td>
<td>11,055</td>
<td>666,755</td>
</tr>
<tr>
<td></td>
<td>Transfer from intangible assets (refer to note 14)</td>
<td>(14,225)</td>
<td>(123,860)</td>
<td>(756,755)</td>
<td>(954,880)</td>
</tr>
<tr>
<td></td>
<td>Transfer from investment properties (refer to note 13)</td>
<td>16,721</td>
<td>1,530</td>
<td>275,800</td>
<td>294,051</td>
</tr>
<tr>
<td></td>
<td>Transfer from intangible assets (refer to note 12)</td>
<td>487</td>
<td></td>
<td>275,800</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Disposal of subsidiary</td>
<td>(2,736)</td>
<td>(7,916)</td>
<td>275,800</td>
<td>(34,547)</td>
</tr>
<tr>
<td></td>
<td>Disposals</td>
<td>(81,235)</td>
<td>(129,340)</td>
<td>(20,100)</td>
<td>(130,675)</td>
</tr>
<tr>
<td></td>
<td>Translation adjustments</td>
<td>(3,176)</td>
<td>(32,284)</td>
<td>(5,509)</td>
<td>(39,969)</td>
</tr>
<tr>
<td></td>
<td>Proposed for approval at the annual general meeting</td>
<td>4,452,800</td>
<td>219,700</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

At 31 December 2021

7,777,724 7,278,097 2,762,696 1,260,420 19,078,937

Accumulated depreciation and impairment

As at 1 January 2021

1,484,464 2,747,577 355,224 70,000 4,737,265

Charges

189,012 433,263 182,710 7,000 804,985

Impairment loss

91,458 1,530 275,800 56,284 400,826

Transfer to intangible assets (refer to note 14)

19,280 66,096 281,860 7,000 384,236

Transfer from/(to) investment properties (refer to note 13)

16,721 1,530 275,800 56,284 305,255

As at 31 December 2021

1,899,056 3,167,692 573,041 70,000 5,639,789

Net book value

At 31 December 2021

5,288,923 4,646,190 2,053,856 1,063,963 13,052,932

At 31 December 2022

5,878,668 4,110,405 2,189,655 1,260,420 13,439,148

At 31 December 2022, property, plant and equipment with a total carrying amount of USD 2,321,042 thousand (2021 USD 2,308,149 thousand) are pledged as security for bank loans (refer to note 33). During 2022, depreciation of USD 739,586 thousand (2021 USD 671,442 thousand) was included in cost of sales and USD 137,769 thousand (2021 USD 133,543 thousand) was included in general and administrative expenses.
12. RIGHT-OF-USE ASSETS

The Group enters into long lease arrangements that provide the right-to-use port terminal infrastructure, plant, equipment, vessels and other related assets for carrying out its business operations. The below table represents the carrying amounts of right-of-use assets recognised and the related movements during the year:

<table>
<thead>
<tr>
<th>Port concessions (USD'000)</th>
<th>Plant equipment and vehicles (USD'000)</th>
<th>Vessels (USD'000)</th>
<th>Land and buildings (USD'000)</th>
<th>Total (USD'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 January 2021</td>
<td>1,675,644</td>
<td>582,202</td>
<td>225,671</td>
<td>2,577,453</td>
</tr>
<tr>
<td>Acquired through business combinations</td>
<td>70,054</td>
<td>29,989</td>
<td>746,289</td>
<td>881,264</td>
</tr>
<tr>
<td>Additions</td>
<td>(5,812)</td>
<td>552</td>
<td>854</td>
<td>407</td>
</tr>
<tr>
<td>Transfers</td>
<td>13,942</td>
<td>(3,895)</td>
<td>(10,047)</td>
<td></td>
</tr>
<tr>
<td>Transfers to property, plant and equipment (refer to note 11)</td>
<td>221</td>
<td>(2,124)</td>
<td>(8,215)</td>
<td>(18,107)</td>
</tr>
<tr>
<td>Derecognition</td>
<td></td>
<td></td>
<td>(487)</td>
<td>(487)</td>
</tr>
<tr>
<td>Translation adjustments</td>
<td>42,524</td>
<td>(2,335)</td>
<td>(1,109)</td>
<td>(6,572)</td>
</tr>
<tr>
<td>As at 31 December 2021</td>
<td>1,711,283</td>
<td>624,751</td>
<td>1,019,264</td>
<td>3,570,445</td>
</tr>
</tbody>
</table>

As at 1 January 2022

<table>
<thead>
<tr>
<th>Port concessions (USD'000)</th>
<th>Plant equipment and vehicles (USD'000)</th>
<th>Vessels (USD'000)</th>
<th>Land and buildings (USD'000)</th>
<th>Total (USD'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquired through business combinations</td>
<td>63,219</td>
<td>31,909</td>
<td>46,429</td>
<td>203,557</td>
</tr>
<tr>
<td>Additions</td>
<td>95,186</td>
<td>71,310</td>
<td>531,930</td>
<td>992,743</td>
</tr>
<tr>
<td>Lease modifications</td>
<td>3,680</td>
<td>(11,178)</td>
<td>(11,182)</td>
<td>(19,310)</td>
</tr>
<tr>
<td>Transfers</td>
<td>460</td>
<td>(845)</td>
<td>57</td>
<td>328</td>
</tr>
<tr>
<td>Derecognition</td>
<td>(446)</td>
<td>(15,136)</td>
<td>(86)</td>
<td>(15,661)</td>
</tr>
<tr>
<td>Translation adjustments</td>
<td>(108,602)</td>
<td>(22,738)</td>
<td>(47,130)</td>
<td>(210,737)</td>
</tr>
<tr>
<td>As at 31 December 2022</td>
<td>1,764,781</td>
<td>677,360</td>
<td>1,052,150</td>
<td>3,463,485</td>
</tr>
</tbody>
</table>

Depreciation and impairment

| As at 1 January 2021        | 100,509                               | 40,513            | 130,159                     | 271,173         |
| Charges                     | 69,744                                | 34,972            | 219,971                     | 341,747         |
| Lease modifications         | 8,734                                 | (1,338)           | (166)                      | 8,499           |
| Derecognition               | (221)                                 | (20,311)          | (8,215)                     | (29,329)        |
| Translation adjustments     | (4,135)                               | (862)             | (375)                       | (5,372)         |
| As at 31 December 2021      | 174,631                               | 52,574            | 341,674                     | 603,763         |

13. INVESTMENT PROPERTIES

<table>
<thead>
<tr>
<th>Land and infrastructure (USD'000)</th>
<th>Buildings and infrastructure (USD'000)</th>
<th>Under development (USD'000)</th>
<th>Total (USD'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>As at 1 January 2021</td>
<td>211,266</td>
<td>1,639,821</td>
<td>75,051</td>
</tr>
<tr>
<td>Additions</td>
<td>252</td>
<td>23,697</td>
<td>23,949</td>
</tr>
<tr>
<td>Acquisition of group of assets (i)</td>
<td>–</td>
<td>165,242</td>
<td>288,114</td>
</tr>
<tr>
<td>Transfers to property, plant and equipment (refer to note 11)</td>
<td>(16,725)</td>
<td>(1,530)</td>
<td>(18,255)</td>
</tr>
<tr>
<td>Transfers from under development</td>
<td>–</td>
<td>15,004</td>
<td>(15,004)</td>
</tr>
<tr>
<td>Disposals</td>
<td>(65)</td>
<td>(102,436)</td>
<td>(102,496)</td>
</tr>
<tr>
<td>Translation adjustments</td>
<td>(1,446)</td>
<td>(2,777)</td>
<td>(1,080)</td>
</tr>
<tr>
<td>As at 31 December 2021</td>
<td>193,034</td>
<td>1,721,063</td>
<td>109,417</td>
</tr>
</tbody>
</table>

As at 1 January 2022

<table>
<thead>
<tr>
<th>Land and infrastructure (USD'000)</th>
<th>Buildings and infrastructure (USD'000)</th>
<th>Under development (USD'000)</th>
<th>Total (USD'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additions</td>
<td>(4,022)</td>
<td>210,879</td>
<td>120,881</td>
</tr>
<tr>
<td>Additions</td>
<td>(11,551)</td>
<td>(26,470)</td>
<td>134,194</td>
</tr>
<tr>
<td>Acquisition of group of assets (i)</td>
<td>–</td>
<td>149,346</td>
<td>(149,346)</td>
</tr>
<tr>
<td>Disposals</td>
<td>(1,026)</td>
<td>(542)</td>
<td>(408)</td>
</tr>
<tr>
<td>Translation adjustments</td>
<td>(1,299)</td>
<td>(1,973)</td>
<td>(186)</td>
</tr>
<tr>
<td>As at 31 December 2022</td>
<td>179,158</td>
<td>1,841,616</td>
<td>214,350</td>
</tr>
</tbody>
</table>

Depreciation and impairment

| As at 1 January 2021              | –                                     | 269,692                     | 269,692         |
| Depreciation charge               | –                                     | 56,144                      | 56,144          |
| Disposals                         | –                                     | (6,574)                     | (6,574)         |
| Translation adjustments           | –                                     | 1,240                       | 1,240           |
| As at 31 December 2021            | –                                     | 365,720                     | 365,720         |

As at 1 January 2022

<table>
<thead>
<tr>
<th>Land and infrastructure (USD'000)</th>
<th>Buildings and infrastructure (USD'000)</th>
<th>Under development (USD'000)</th>
<th>Total (USD'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additions</td>
<td>–</td>
<td>60,900</td>
<td>60,900</td>
</tr>
<tr>
<td>Impairment loss</td>
<td>–</td>
<td>6,607</td>
<td>6,607</td>
</tr>
<tr>
<td>Transfers to property, plant and equipment (refer to note 11)</td>
<td>–</td>
<td>(21,273)</td>
<td>(21,273)</td>
</tr>
<tr>
<td>Transfers</td>
<td>–</td>
<td>6,607</td>
<td>6,607</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>(542)</td>
<td>(542)</td>
</tr>
<tr>
<td>Translation adjustments</td>
<td>–</td>
<td>(1,084)</td>
<td>(1,084)</td>
</tr>
<tr>
<td>As at 31 December 2022</td>
<td>–</td>
<td>365,720</td>
<td>365,720</td>
</tr>
</tbody>
</table>

Net book value

| As at 31 December 2022             | 179,158                               | 1,476,306                   | 214,350         | 1,969,794 |

(i) On 30 September 2021, the Group acquired a group of assets from a related party including certain completed and under construction buildings and infrastructure classified as investment properties (refer to note 28(a)).

(ii) Revenue on lease rentals from investment properties recognised in profit or loss amounted to USD 545,787 thousand (2021: USD 485,487 thousand) while associated costs related to these investment properties amounted to USD 57,264 thousand (2021: USD 57,323 thousand).

LAND

At 31 December 2022, the fair value of land was estimated to be USD 200,762 thousand (2021: USD 193,811 thousand) compared to the carrying value of USD 179,158 thousand (2021: USD 193,034 thousand).

BUILDINGS AND INFRASTRUCTURE

At 31 December 2022, the fair value of buildings and infrastructure was estimated to be USD 8,900,769 thousand (2021: USD 2,476,589 thousand) compared to the carrying value of USD 1,476,306 thousand (2021: USD 1,403,951 thousand).

During 2022, depreciation of USD 60,590 thousand (2021: USD 55,756 thousand) was included in cost of sales and USD 258 thousand (2021: USD 388 thousand) was included in general and administrative expenses.
13. INVESTMENT PROPERTIES CONTINUED
INVESTMENT PROPERTIES UNDER DEVELOPMENT
Investment properties under development mainly include infrastructure development, staff accommodation and office buildings in Jebel Ali Free Zone and Dubai Maritime City. Based on management’s assessment, the fair value of investment properties under development approximates their carrying value as at the reporting date.

KEY ASSUMPTIONS USED IN DETERMINATION OF THE FAIR VALUE OF INVESTMENT PROPERTIES
On an annual basis, the Group engages external, independent and qualified valuers who have the relevant experience to value such properties in order to determine the fair value of the Group’s investment properties. The external valuation of the significant investment properties has been performed using income capitalisation, comparable and residual methods of valuation. The external valuers, in discussion with the Group’s management, have determined these inputs based on the current lease rates, specific market conditions and comparable benchmarking of rents and capital values and rentals in the wider corresponding market.

The significant unobservable inputs used in the fair value measurement are as follows:
• Market rent in the range of USD 10 to USD 1,500 per square metre per annum (2021: USD 10 to USD 1,000 per square metre per annum).
• Rent growth per annum in the range of 0% to 2% (2021: 0% to 1.5%).
• Historical and estimated long-term occupancy rate in the range of 71% to 91% (2021: 70% to 90%).
• Yields rates in the range of 6.5% to 13.75% per annum (2021: 6.5% to 13.5% per annum).
• Market rent in the range of USD 10 to USD 1,500 per square metre per annum (2021: USD 10 to USD 1,000 per square metre per annum).

SENSITIVITY TO CHANGES IN ASSUMPTIONS
These properties as their highest and best use.

The fair value of investment properties is categorised under level 3 of fair value hierarchy and the Group considers the current use of these properties as their highest and best use.

14. INTANGIBLE ASSETS AND GOODWILL
Noteworthy that goodwill is amortised on a straight-line basis and intangible assets and service concession assets are amortised using the effective interest method.

Amortisation and impairment

As at 1 January 2021
Goodwill

Charges

Transfer from property, plant and equipment

Disposals

Translation adjustments

Transfer from property, plant and equipment

Disposals

Translation adjustments

Total

As at 31 December 2021
Goodwill

Charges

Transfer from property, plant and equipment

Disposals

Translation adjustments

Total

As at 1 January 2021

As at 31 December 2021

As at 1 January 2022
Goodwill

Charges

Transfer from property, plant and equipment

Disposals

Translation adjustments

Total

As at 31 December 2022
Goodwill

Charges

Transfer from property, plant and equipment

Disposals

Translation adjustments

Total

USD'000

USD'000

USD'000

USD'000

USD'000

USD'000

USD'000
15. GOODWILL IMPAIRMENT TESTING

Goodwill acquired through business combinations and port concession rights with indefinite useful lives have been allocated to various cash-generating units (CGUs), for the purpose of impairment testing.

Impairment testing is done at an operating business (or group of businesses) level that represents an individual CGU. Details of the CGUs by operating segment are shown below:

<table>
<thead>
<tr>
<th>Carrying amount of goodwill</th>
<th>Carrying amount of port concession rights with indefinite useful life</th>
<th>Terminal value growth rate/decline</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD’000</td>
<td>USD’000</td>
<td>Discount rates</td>
</tr>
<tr>
<td>Australia and Americas</td>
<td>457,502</td>
<td>485,429</td>
</tr>
<tr>
<td>Country-specific risks.</td>
<td>1,331,694</td>
<td>1,374,729</td>
</tr>
<tr>
<td>Middle East, Europe and Africa</td>
<td>2,347,004</td>
<td>1,727,663 733,073 843,063 7.9% – 22.0% 10% – 4.5%</td>
</tr>
<tr>
<td>Total</td>
<td>4,157,000</td>
<td>3,088,031 670,244 971,916</td>
</tr>
</tbody>
</table>

The recoverable amount of the CGU has been determined based on its value in use calculated using cash flow projections based on the financial budgets approved by management covering a three-year period and a further outlook for five years, which is considered appropriate in view of the outlook for the industry and the long-term nature of the concession agreements held, generally for a period of 25-50 years.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill and port concession rights with indefinite useful lives.

Budgeted margins – The basis used to determine the value assigned to the budgeted margin is the average gross margin achieved in the year immediately before the budgeted year, adjusted for expected efficiency improvements, price fluctuations and manpower costs.

Discount rates – These represent the cost of capital adjusted for the respective location risk factors. The Group uses the post-tax industry average weighted cost of capital based on the rate of 10 years default free US treasury bonds adjusted for the respective location risk factors.

Cost inflation – The forecast general price index is used to determine the cost inflation during the budget year for the relevant countries where the Group is operating which has been sourced from International Monetary Fund (IMF).

Terminal value growth rate – In management’s view, the terminal growth rate is the minimum growth rate expected to be achieved beyond the eight-year period. This is based on the overall regional economic growth forecasted and the Group’s existing internal capacity changes for a given region. The Group also takes into account competition and regional capacity growth to provide a comprehensive growth assumption for the entire portfolio. Based on the historical trend of growth in global trade, the long-term growth in the range of 1% to 2.5% is considered reasonable for the diversified businesses of the Group. Based on the historical trend of growth in global trade, the long-term growth in the range of 1% to 2.5% is considered reasonable for the diversified businesses of the Group. The values assigned to key assumptions are consistent with the past experience of the management.

SENSITIVITY TO CHANGES IN ASSUMPTIONS

The calculation of value in use for the CGU is sensitive to future earnings and therefore a sensitivity analysis was performed. A sensitivity analysis demonstrated that a 10% decrease in earnings for a future period of three years from the reporting date would not result in impairment. An increase of up to 0.20% in discount rate and decrease of up to 0.20% in terminal value growth rate would not result in impairment.

16. PROPERTIES HELD FOR DEVELOPMENT AND SALE

Properties held for development and sale consist of cost of land and related improvements in commercial precincts.

The Group has future commitments towards infrastructure development of USD 155,946 thousand (2021: USD 159,580 thousand) to be incurred over a period of 16 years in respect of these properties.

On an annual basis, the Group engages external, independent and qualified valuers who have the relevant experience for the purpose of estimating the net realisable value of properties held for development and sale.

17. INTERESTS IN EQUITY-ACCOUNTED INVESTES

The following table summarises the segment wise financial information for equity-accounted investees, adjusted for fair value adjustments (using income approach model) at acquisition together with the carrying amount of the Group’s interests in the equity-accounted investees as included in the consolidated statement of financial position:

The following table summarises the segment wise financial information for equity-accounted investees, adjusted for fair value adjustments (using income approach model) at acquisition together with the carrying amount of the Group’s interests in the equity-accounted investees as included in the consolidated statement of financial position:
### Notes to the Consolidated Financial Statements

#### 17. Interests in Equity-Accounted Investees

**Continued**

**Material Equity-Accounted Investees**

- Included in the above table are three material equity-accounted investees, two of which are in “Asia Pacific and India” region and one is in “Middle East, Europe and Africa” region.

The material equity-accounted investees included in “Asia Pacific and India region”, individually have total assets of USD 3,717,826 thousand and USD 665,164 thousand, net assets of USD 2,617,206 thousand and USD 438,267 thousand, revenue of USD 983,381 thousand and USD 253,743 thousand and profit of USD 200,887 thousand and USD 62,196 thousand, respectively.

- **Additional investments** 76,310
- **As at 1 January** 2,249,442
- **Interest in joint ventures** 1,406,356
- **Interest in associates** 843,086
- **Balance as at 31 December** 2,249,442

- Included in “Middle East, Europe and Africa” was an equity accounted investee having total assets of USD 1,125,364 thousand, net assets of USD 615,482 thousand, revenue of USD 170,351 thousand and profit of USD 11,968 thousand. (2021: Included in “Middle East, Europe and Africa”)

- Included in “Middle East, Europe and Africa” is an equity accounted investee having total assets of USD 1,085,421 thousand, net assets of USD 663,445 thousand, revenue of USD 3,762,083 thousand and profit of USD 46,520 thousand, respectively.

The below table represents the carrying amounts of interests in equity-accounted investees recognised and the related movements during the year:

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current</td>
<td>Current</td>
<td>Non-current</td>
</tr>
<tr>
<td>USD'000</td>
<td>USD'000</td>
<td>USD'000</td>
</tr>
<tr>
<td>Trade receivables (net)</td>
<td>423,460</td>
<td>2,307,236</td>
</tr>
<tr>
<td>Advances paid to suppliers</td>
<td>1,958</td>
<td>181,508</td>
</tr>
<tr>
<td>Unbilled revenue</td>
<td>254,206</td>
<td>-</td>
</tr>
<tr>
<td>Deposits receivable</td>
<td>75,985</td>
<td>19,893</td>
</tr>
<tr>
<td>Defined benefit pension surplus (refer note 23)</td>
<td>5,033</td>
<td>-</td>
</tr>
<tr>
<td>Prepayments</td>
<td>423,460</td>
<td>2,307,236</td>
</tr>
<tr>
<td>Other receivables</td>
<td>448,634</td>
<td>829,134</td>
</tr>
<tr>
<td>Derivative financials instruments</td>
<td>41,562</td>
<td>48,132</td>
</tr>
<tr>
<td>Due from related parties</td>
<td>135,432</td>
<td>55,347</td>
</tr>
<tr>
<td>Asset held for sale (refer note (i) below)</td>
<td>-</td>
<td>5,158</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,171,853</td>
<td>4,123,726</td>
</tr>
</tbody>
</table>

- (i) The Group’s exposure to credit and currency risks are disclosed in note 29.
- (ii) Asset held for sale is stated net of impairment amounting to USD 2,569 thousand (2021: Nil).

#### 18. Inventories

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current</td>
<td>Current</td>
<td>Non-current</td>
</tr>
<tr>
<td>USD'000</td>
<td>USD'000</td>
<td>USD'000</td>
</tr>
<tr>
<td>Merchandise inventory and finished goods</td>
<td>294,877</td>
<td>4,276</td>
</tr>
<tr>
<td>Spare parts and consumables</td>
<td>257,541</td>
<td>199,372</td>
</tr>
<tr>
<td>Fuel</td>
<td>45,306</td>
<td>33,717</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>587,724</td>
<td>233,355</td>
</tr>
<tr>
<td>Provision for obsolete and slow moving items</td>
<td>19,159</td>
<td>10,256</td>
</tr>
<tr>
<td><strong>Net Inventories</strong></td>
<td>568,565</td>
<td>223,099</td>
</tr>
</tbody>
</table>

In 2022, inventories of USD 1,971,415 thousand (2021 USD 405,526 thousand) were recognised as an expense during the year and recorded in the consolidated statement of profit or loss.

#### 19. Due from Parent Company

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current</td>
<td>Current</td>
<td>Non-current</td>
</tr>
<tr>
<td>USD'000</td>
<td>USD'000</td>
<td>USD'000</td>
</tr>
<tr>
<td>Due from Parent Company (refer to note 28)</td>
<td>1,746,227</td>
<td>1,682,190</td>
</tr>
</tbody>
</table>

Current portion: During the year, the Group advanced USD 6,570,252 thousand to the Parent Company, Port & Free Zone World FZE, to repay its syndicated loan and interest obligations, out of this amount USD 4,628,400 thousand has been offset against dividend owed to the Parent company and balance of USD 1,811,852 thousand is expected to be offset before 30 June 2023 by declaration of dividend to the Parent Company.

Non-current portion: This consists of a loan advanced to the Parent Company in July 2020 of USD 1,500,000 thousand (plus accrued interest) for a period of 5.5 years at the interest rate of 6.125% per annum. This is expected to be offset before 30 June 2023 by declaration of dividend to the Parent Company.

#### 20. Receivables and Other Assets

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current</td>
<td>Current</td>
<td>Non-current</td>
</tr>
<tr>
<td>USD'000</td>
<td>USD'000</td>
<td>USD'000</td>
</tr>
<tr>
<td>Trade receivables (net)</td>
<td>423,460</td>
<td>2,307,236</td>
</tr>
<tr>
<td>Advances paid to suppliers</td>
<td>1,958</td>
<td>181,508</td>
</tr>
<tr>
<td>Unbilled revenue</td>
<td>254,206</td>
<td>-</td>
</tr>
<tr>
<td>Deposits receivable</td>
<td>75,985</td>
<td>19,893</td>
</tr>
<tr>
<td>Defined benefit pension surplus (refer note 23)</td>
<td>5,033</td>
<td>-</td>
</tr>
<tr>
<td>Prepayments</td>
<td>423,460</td>
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</tr>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,171,853</td>
<td>4,123,726</td>
</tr>
</tbody>
</table>

- (i) The Group’s exposure to credit and currency risks are disclosed in note 29.
- (ii) Asset held for sale is stated net of impairment amounting to USD 2,569 thousand (2021: Nil).

#### 21. Cash and Cash Equivalents

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current</td>
<td>Current</td>
<td>Non-current</td>
</tr>
<tr>
<td>USD'000</td>
<td>USD'000</td>
<td>USD'000</td>
</tr>
<tr>
<td>Cash at banks and in hand</td>
<td>2,191,837</td>
<td>3,055,882</td>
</tr>
<tr>
<td>Short-term deposits</td>
<td>1,643,747</td>
<td>481,857</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents (net)</strong></td>
<td>3,441,584</td>
<td>3,537,739</td>
</tr>
<tr>
<td>Restricted cash (refer note (i) below)</td>
<td>(716,910)</td>
<td>(308,546)</td>
</tr>
<tr>
<td>Bank overdrafts repayable on demand and used for cash management purposes</td>
<td>(108,810)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents for consolidated statement of cash flows</strong></td>
<td>2,621,864</td>
<td>3,029,193</td>
</tr>
</tbody>
</table>

- (i) Short-term deposits are made for varying periods between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit market rates.
- (ii) The restricted cash is placed to collateralise some of the borrowings of the Company’s subsidiaries. The balance as at 31 December 2021 included USD 815,993 thousand placed under escrow account to settle the consideration for acquisition of Imperial Logistics Limited in 2022 (see note 26).
22. PROVISION FOR EMPLOYEES’ END OF SERVICE BENEFITS

Movements in the provision recognised in the consolidated statement of financial position are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022 USD'000</th>
<th>2021 USD'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 1 January</td>
<td>213,833</td>
<td>191,395</td>
</tr>
<tr>
<td>Acquired through business combinations</td>
<td>924</td>
<td>924</td>
</tr>
<tr>
<td>Provisions</td>
<td>37,804</td>
<td>35,450</td>
</tr>
<tr>
<td>Payments</td>
<td>(16,325)</td>
<td>(17,749)</td>
</tr>
<tr>
<td>Actuarial gain/loss</td>
<td>(28,732)</td>
<td>3,587</td>
</tr>
<tr>
<td>Translation adjustments</td>
<td>(863)</td>
<td>(354)</td>
</tr>
<tr>
<td>As at 31 December</td>
<td>205,719</td>
<td>213,833</td>
</tr>
</tbody>
</table>

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its defined benefit obligations at 31 December 2022 in respect of employees’ end of service benefits payable under relevant local regulations and contractual arrangements. The assessment assumed expected salary increases averaging 3.50% (2021: 3.50% per annum) and a discount rate of 4.93% per annum (2021: 3.05% per annum).

In addition to the above, the Group contributes 15% of the ‘contribution calculation salary’ in case of those employees who are UAE nationals. These employees are also required to contribute 5% of the ‘contribution calculation salary’ to the scheme. The Group’s contribution is recognised as an expense in the consolidated statement of profit or loss.

23. PENSION AND POST-EMPLOYMENT BENEFITS

The Group participates in several pension schemes around the world, mostly concentrated in the United Kingdom.

The board of a pension scheme in the UK is required by law to act in the best interests of the fund participants and is responsible for setting certain policies (e.g. investment, contributions and indexation policies) and determining recovery plans, if appropriate.

These defined benefit schemes expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market investment risk. In addition, by participating in certain multi-employer industry schemes, the Group can be exposed to a pro-rata share of the credit risk of other participating employers.

A) P&O PENSION SCHEME

This principal scheme is located in the UK (the ‘P&O UK Scheme’). The P&O UK Scheme is a funded defined benefit scheme and was closed to new members on 1 January 2002 and to future accruals on 31 December 2015. The pension fund is legally separated from the Group and managed by a Trustee/Board. The assets of the scheme are managed on behalf of the Trustee by independent fund managers.

Formal actuarial valuations of the P&O UK scheme are normally carried out triennially by qualified independent actuaries, the most recent valuation was as at 31 March 2022 on a market-related basis. The deficit on a statutory funding objectives basis was USD 42,182 thousand. For the Group, outstanding contributions from these valuations are payable as follows:

- From 1 January 2023 to 31 March 2025: USD 1,590 thousand per month.

In December 2007, as part of a process developed with the Group to de-risk the pension scheme, the Trustee transferred USD 1,650,000 thousand of P&O UK Scheme assets to Paternoster (UK) Ltd, in exchange for a bulk annuity insurance policy to ensure that the assets (in the Company’s statement of financial position and in the Scheme) will always be equal to the current value of the liability of the pensions in payment at 30 June 2007, thus removing the funding risks for these liabilities.

B) P&O FERRIES SCHEME

Formal actuarial valuations of the P&O Ferries Scheme are normally carried out triennially by qualified independent actuaries. The most recent actuarial valuation for the scheme was carried out as at 1 April 2020 using the projected unit method.

At this date, the market value of the P&O Ferries Scheme’s assets was USD 238,389 thousand and the value of accrued benefits to members allowing for future increases in earnings was USD 307,205 thousand giving a deficit of USD 68,816 thousand and a funding ratio of 78%.

23. PENSION AND POST-EMPLOYMENT BENEFITS CONTINUED

B) P&O FERRIES SCHEME CONTINUED

The agreed deficit payments from these valuations are payable as follows:

- From 2023 to 2029: USD 2,466 thousand per annum.
- 2030: USD 616 thousand.

C) MERCHANT NAVY OFFICERS’ PENSION FUND (“MNOPF SCHEME”)

The Group participates in various industry multi-employer schemes in the UK. These generally have assets held in separate trustee administered funds which are legally separated from the Group.

The MNOPF Scheme is an industry wide multi-employer defined benefit scheme in which officers employed by companies within the Group have participated. The scheme has been closed to further benefit accrual from 31 March 2016.

The most recent formal actuarial valuation of the New Section of MNOPF Scheme was carried out as at 31 March 2021. This resulted in a surplus of USD 69,922 thousand. As there were sufficient assets to cover the Fund’s technical provisions at the valuation date, no new contributions were required.

Following earlier actuarial valuations in 2008, 2012, 2015 and 2018 the Trustee and Employers agreed contributions to be paid to the Section by participating employers over the period to 30 September 2023. These contributions included an allowance for the impact of irrecoverable contributions in respect of companies no longer in existence or not able to pay their share.

For the Group, aggregated outstanding contributions from earlier valuations are payable as follows:

- 2023: USD 616 thousand.

The Group’s share of the net deficit of the MNOPF Scheme as at 31 December 2022 is estimated at 19.10%.

D) MERCHANT NAVY RATINGS’ PENSION FUND (“MNRPF SCHEME”)

The MNRPF Scheme is an industry wide multi-employer defined benefit pension scheme in which sea staff employed by companies within the Group have participated. The scheme has a significant funding deficit and has been closed to further benefit accrual from 2001.

Certain Group companies, which are no longer current employers in the MNRPF Scheme, had settled their statutory debt obligation and were not considered to have any legal obligation with respect to the on-going deficit in the fund. However, following a legal challenge by Stena Line Limited, the High Court decided that the Trustee could require all employers that had ever participated in the scheme to make contributions to fund the deficit. Although the Group appealed, the decision was not overturned.

The most recent formal actuarial valuation was carried out as at 31 March 2020. The deficit contributions arising from the valuation totalled USD 115,699 thousand. This deficit included an estimated sum of USD 84,364 thousand in respect of the expected settlement for the Ill-Health Early Retirement Court case, including the administration costs for the rectification. The Trustee Board believe their investment strategy will meet the shortfall deficit and did not request further contributions from Employers in respect of this valuation. The Court approved the settlement in the ill-health early retirement benefits case to proceed on 24 February 2022.

Work to implement the rectification began soon thereafter and is expected to be completed by the end of 2023. In 2022, the Group has accounted for an additional liability of USD 39,464 thousand relating to potential additional benefits provided to scheme members covered under ill-health retirement. This has been treated as an employer’s past service cost and included under SDI.

For the Group, aggregated outstanding contributions from these valuations are payable as follows:

- 2023: USD 22,714 thousand
- 2024: USD 18,493 thousand

The contributions due payable by P&O Ferries would be the higher of their respective outstanding contributions or a percentage of the free operational cash flow.

The Trustee sets the payment terms for each participating employer in accordance with the Trustee’s Contribution Collection Policy which includes credit vetting.

The Group’s share of the net deficit of the MNRPF as at 31 December 2022 is estimated at 46.49%.
23. PENSION AND POST-EMPLOYMENT BENEFITS

CONTINUED

E) OTHERS

The Group also operates a number of other defined benefit and defined contribution schemes.

RECONCILIATION OF ASSETS AND LIABILITIES RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>2022 USD’000</th>
<th>2021 USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defined benefit schemes net liabilities</td>
<td>238,333</td>
<td>248,271</td>
</tr>
<tr>
<td>Liability in respect of long-service leave</td>
<td>3,916</td>
<td>4,800</td>
</tr>
<tr>
<td>Liability for other non-current deferred compensation</td>
<td>3,940</td>
<td>5,113</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>246,189</td>
<td>258,184</td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Defined benefit schemes net liabilities</td>
<td>15,235</td>
<td>14,250</td>
</tr>
<tr>
<td>Liability for current deferred compensation</td>
<td>91,164</td>
<td>94,476</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>106,399</td>
<td>108,726</td>
</tr>
<tr>
<td><strong>Net liabilities</strong></td>
<td>352,588</td>
<td>366,910</td>
</tr>
</tbody>
</table>

Reflected in the consolidated statement of financial position as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022 USD’000</th>
<th>2021 USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee benefits assets (included within non-current receivables (refer to note 2D))</td>
<td>(5,033)</td>
<td>–</td>
</tr>
<tr>
<td>Employee benefits liabilities: Non-current</td>
<td>251,322</td>
<td>258,184</td>
</tr>
<tr>
<td>Employee benefits liabilities: Current</td>
<td>106,399</td>
<td>108,726</td>
</tr>
<tr>
<td><strong>Net liabilities</strong></td>
<td>352,588</td>
<td>366,910</td>
</tr>
</tbody>
</table>

Long-term employee benefit expense recognised in the consolidated statement of profit and loss consists of following:

<table>
<thead>
<tr>
<th></th>
<th>2022 USD’000</th>
<th>2021 USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit schemes</td>
<td>65,540</td>
<td>23,760</td>
</tr>
<tr>
<td>Defined contribution schemes</td>
<td>55,695</td>
<td>59,353</td>
</tr>
<tr>
<td>Other employee benefits</td>
<td>23,053</td>
<td>23,827</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>144,588</td>
<td>106,940</td>
</tr>
</tbody>
</table>

The remeasurements of the net defined benefit liability gross of tax recognised in the consolidated statement of other comprehensive income is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022 USD’000</th>
<th>2021 USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial gain recognised in the year</td>
<td>(1,079,845)</td>
<td>(228,244)</td>
</tr>
<tr>
<td>Return on plan assets lesser than the discount rate</td>
<td>1,047,561</td>
<td>87,453</td>
</tr>
<tr>
<td>Change of share in multi-employer scheme</td>
<td>(986)</td>
<td>573</td>
</tr>
<tr>
<td>Movement in the minimum funding liability</td>
<td>(13,441)</td>
<td>76,738</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(46,711)</td>
<td>(63,420)</td>
</tr>
</tbody>
</table>

The assumptions for pensioner longevity under both the P&O UK Scheme and the New Section of the MNOPF Scheme are based on an analysis of pensioner death trends under the respective schemes over many years.

For illustration, the life expectancies for the two schemes at age 65 now and in the future are detailed in the table below.

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Age 65 now</td>
<td>Age 65 in 20 years’ time</td>
</tr>
<tr>
<td>2022</td>
<td>21.6</td>
<td>23.2</td>
</tr>
<tr>
<td>P&amp;O UK scheme</td>
<td>22.8</td>
<td>24.2</td>
</tr>
<tr>
<td>P&amp;O Ferries scheme</td>
<td>22.2</td>
<td>23.9</td>
</tr>
<tr>
<td>MNOPF scheme</td>
<td>20.3</td>
<td>22.3</td>
</tr>
<tr>
<td>2021</td>
<td>22.9</td>
<td>24.5</td>
</tr>
<tr>
<td>P&amp;O UK scheme</td>
<td>22.9</td>
<td>24.5</td>
</tr>
<tr>
<td>P&amp;O Ferries scheme</td>
<td>21.9</td>
<td>24.1</td>
</tr>
<tr>
<td>MNOPF scheme</td>
<td>20.2</td>
<td>22.1</td>
</tr>
</tbody>
</table>

The weighted average duration of the defined benefit obligation as at 31 December 2022 was 11 years (2021: 13.2 years).
### 23. PENSION AND POST-EMPLOYMENT BENEFITS

#### CONTINUED

#### ACTUARIAL VALUATIONS AND ASSUMPTIONS

Reasonably possible changes to one of the actuarial assumptions, holding other assumptions constant (in practice, this is unlikely to occur, and changes in some of the assumptions may be correlated), would have increased the net defined benefit liability as at 31 December 2022 by the amounts shown below:

<table>
<thead>
<tr>
<th>Reason</th>
<th>USD'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.1% reduction in discount rate</td>
<td>11,929</td>
</tr>
<tr>
<td>0.1% increase in inflation assumption and related assumptions</td>
<td>6,340</td>
</tr>
<tr>
<td>0.25% p.a. increase in the long-term rate of mortality improvement</td>
<td>3,949</td>
</tr>
</tbody>
</table>

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The schemes’ strategic asset allocations across the sectors of the main asset classes are:

<table>
<thead>
<tr>
<th></th>
<th>USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>P&amp;O UK scheme</strong></td>
<td><strong>P&amp;O Ferries scheme</strong></td>
</tr>
<tr>
<td>2022 Equities</td>
<td>57,729</td>
</tr>
<tr>
<td>Bonds</td>
<td>486,542</td>
</tr>
<tr>
<td>Other</td>
<td>50,208</td>
</tr>
<tr>
<td>Value of insured pensioner liability</td>
<td>656,230</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,169,499</td>
</tr>
<tr>
<td>2021 Equities</td>
<td>187,976</td>
</tr>
<tr>
<td>Bonds</td>
<td>701,776</td>
</tr>
<tr>
<td>Other</td>
<td>120,321</td>
</tr>
<tr>
<td>Value of insured pensioner liability</td>
<td>875,869</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,885,942</td>
</tr>
</tbody>
</table>

Except for the insured pensioner liability, all material investments have quoted prices in active markets.

#### CONTINUED

#### ACTUARIAL VALUATIONS AND ASSUMPTIONS

Reasonably possible changes to one of the actuarial assumptions, holding other assumptions constant (in practice, this is unlikely to occur, and changes in some of the assumptions may be correlated), would have increased the net defined benefit liability as at 31 December 2022 by the amounts shown below:

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<tr>
<td>Bonds</td>
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<tr>
<td>Other</td>
<td>50,208</td>
</tr>
<tr>
<td>Value of insured pensioner liability</td>
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</tr>
<tr>
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<td>1,169,499</td>
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<tr>
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<tr>
<td>Bonds</td>
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<tr>
<td>Other</td>
<td>120,321</td>
</tr>
<tr>
<td>Value of insured pensioner liability</td>
<td>875,869</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,885,942</td>
</tr>
</tbody>
</table>
## 23. PENSION AND POST-EMPLOYMENT BENEFITS CONTINUED

A minimum funding liability arises where the statutory funding requirements are such that future contributions in respect of past service will result in a future unrecognisable surplus.

The below table shows the movement in minimum funding liability:

<table>
<thead>
<tr>
<th></th>
<th>2022 USD'000</th>
<th>2021 USD'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum funding liability as on 1 January</td>
<td>(324,503)</td>
<td>(248,799)</td>
</tr>
<tr>
<td>Employer’s interest cost</td>
<td>5,916</td>
<td>3,027</td>
</tr>
<tr>
<td>Actuarial gain/(loss) during the year</td>
<td>13,441</td>
<td>(76,798)</td>
</tr>
<tr>
<td>Effect of movement in exchange rates</td>
<td></td>
<td>4,131</td>
</tr>
<tr>
<td>Minimum funding liability as on 31 December</td>
<td>(282,258)</td>
<td>(324,503)</td>
</tr>
</tbody>
</table>

It is anticipated that the Group will make the following contributions to the pension schemes in 2023:

- **Pension scheme contributions**: 19,084, 2,466, 616, 22,714, 1,826, 46,706

## 24. PAYABLES AND OTHER LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>2022 Non-current USD'000</th>
<th>2022 Current USD'000</th>
<th>2021 Non-current USD'000</th>
<th>2021 Current USD'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>69,397</td>
<td>220,408</td>
<td>63,927</td>
<td>244,120</td>
</tr>
<tr>
<td>Advances and deposits from customers</td>
<td>849</td>
<td>347,637</td>
<td>1,333</td>
<td>56,792</td>
</tr>
<tr>
<td>Other payables and accruals</td>
<td>170,778</td>
<td>2,837,842</td>
<td>125,484</td>
<td>2,098,533</td>
</tr>
<tr>
<td>Provisions*</td>
<td>4,418</td>
<td>222,794</td>
<td>9,270</td>
<td>80,441</td>
</tr>
<tr>
<td>Fair value of derivative financial instruments</td>
<td>218,646</td>
<td>107,097</td>
<td>69,337</td>
<td>33,357</td>
</tr>
<tr>
<td>Amounts due to related parties (refer to note 28)</td>
<td>100,527</td>
<td>51,767</td>
<td>113,597</td>
<td>212,523</td>
</tr>
<tr>
<td>As at 31 December</td>
<td>564,596</td>
<td>4,970,507</td>
<td>406,748</td>
<td>4,026,887</td>
</tr>
</tbody>
</table>

* During the current year, additional provision of USD 337,495 thousand (2021: USD 74,962 thousand) was recognised and an amount of USD 199,994 thousand (2021: USD 78,937 thousand) was utilised. The recognised provision reflects management’s best estimate of the most likely outcome of various legal, restructuring, employee-related, dissipation and other claims, which are subject to considerable uncertainty in terms of outcome and timing of settlement.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25. NON-CONTROLLING INTERESTS

A) THE FOLLOWING TABLE SUMMARISES THE FINANCIAL INFORMATION FOR THE MATERIAL NCI OF THE GROUP:

<table>
<thead>
<tr>
<th>Middle East, Europe and Africa</th>
<th>Other countries</th>
<th>Asia Pacific and India</th>
<th>Americas</th>
<th>Other non-material subsidiaries</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance sheet information:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td>4,980,208</td>
<td>455,459</td>
<td>1,409,189</td>
<td>4,716,675</td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>748,621</td>
<td>174,391</td>
<td>813,289</td>
<td>774,020</td>
<td></td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>(2,246,618)</td>
<td>(78,701)</td>
<td>(315,952)</td>
<td>(3,725,095)</td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>(1,958,277)</td>
<td>(35,360)</td>
<td>(656,356)</td>
<td>(584,788)</td>
<td></td>
</tr>
<tr>
<td><strong>Total assets (100%):</strong></td>
<td>1,523,934</td>
<td>415,789</td>
<td>1,250,110</td>
<td>1,111,012</td>
<td></td>
</tr>
<tr>
<td><strong>Carrying amount of fair value adjustments excluding goodwill:</strong></td>
<td>389,620</td>
<td>153,968</td>
<td>312,617</td>
<td>646,111</td>
<td></td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>1,913,754</td>
<td>569,757</td>
<td>1,562,727</td>
<td>1,757,123</td>
<td></td>
</tr>
</tbody>
</table>

**Statement of profit or loss information:**

| Revenue                         | 1,049,553 | 117,687 | 2,192,303 | 1,423,335 |
| Profit after tax                | 426,133   | 32,196   | 125,482   | 115,324   |
| Other comprehensive income, net of tax | 137,114 | (11,039) | 84,922   | 122,611   |
| **Total comprehensive income (100%), net of tax:** | 23,189 | 374,773 | 519,699 | 266,350 |
| **Carrying amount of fair value adjustments excluding goodwill:** | (74,811) | (6,233) | (127,772) | (184,299) |
| **Cash flows from operating activities:** | 762,751 | 9,971 | 705,554 | 576,724 |
| **Cash flows from investing activities:** | (74,811) | (6,233) | (127,772) | (184,299) |
| **Cash flows used in financing activities:** | (439,210) | (5,109) | (622,893) | (193,576) |
| Dividends paid to NCI           | (132,229) | (17,034) | (393,834) | (29,189) |

* Represents UAE businesses monetised during the current year (refer to note (b) below)

25. NON-CONTROLLING INTERESTS CONTINUED

B) MONETISATION AND OTHER TRANSACTIONS WITH NON-CONTROLLING INTERESTS

Details regarding the major monetisation and transactions with NCI during the year is as below:

**MONETISATION OF AFRICAN BUSINESSES**

i) On 1 January 2022, the Group divested 30% equity interest, without loss of control, in DP World Dakar to Societe Nationale Du Port Autonome De Dakar (PAD).

ii) On 31 March 2022, the Group divested minority equity interest, without loss of control, in the following African businesses to British International Investment:

a) Jebel Ali Port;

b) Jebel Ali Free Zone; and

c) National Industries Park.

The Group received total cash consideration of USD 696,396 thousand including shareholder loan of USD 27,343 thousand (USD 390,016 thousand, net of transaction costs and taxes within equity).

206,567 thousand was received in 2021 as advance) against above monetisation of African businesses and recognised a gain of USD 111,325 thousand.

**MONETISATION OF UAE BUSINESSES**

i) On 30 June 2022, the Group monetised a minority stake of 21.89% (Tranche 1), without loss of control, in three of its flagship UAE businesses, comprising:

a) Jebel Ali Port;

b) Jebel Ali Free Zone; and

c) National Industries Park.

The Group received total cash consideration of USD 5,036 billion from Caisse de depot et placement du Quebec (CDPQ), including shareholder loan of USD 100,300 thousand.
25. NON-CONTROLLING INTERESTS CONTINUED

II. MONETISATION AND OTHER TRANSACTIONS WITH NON-CONTROLLING INTERESTS CONTINUED

MONETISATION OF UAE BUSINESSES CONTINUED

On 14 March 2022, the Group acquired 100% equity and voting interest in Imperial Logistics Limited (Imperial) for a purchase consideration of USD 815,993 thousand. Imperial is an integrated logistics and market access company with operations mainly across the African continent and in Europe.

The Group received total cash consideration of USD 2.4 billion from Hassana, including a shareholder loan of USD 344,336 thousand.

The Group has elected to measure the non-controlling interests in the acquiree at the proportionate share of its interest in the acquiree’s identifiable net assets.

From the acquisition date, this business has contributed revenues of USD 3,599,518 thousand and profit of USD 25,100 thousand to the Group’s results. If the acquisition had occurred on 1 January 2022, management estimates that consolidated revenue would have increased by USD 4,319,421 thousand and consolidated profit for the year would have increased by USD 30,120 thousand. In determining these amounts, management has assumed that the fair value adjustments, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

EUROSOF SRL

On 4 August 2022, as part of restructuring of Port Synergy business (PSP) in France, the Group acquired control in Eurofos SARL (Eurofos), (indirectly through subsidiary, POS Holdco SAS), retaining its previously held equity interest at 50%. The Group and other shareholder in PSP agreed to revised terms whereby the Group obtained control over Eurofos and divested its entire equity interest in Port Synergy Project SAS.

Eurofo Sarl operates marine terminals at Fos, France. Historically this terminal along with Le Havre terminal were managed jointly under PSP. Both the ports are geographically separated and have different users. Taking control of this port will enable the Group to have autonomy to implement strategy specific to this port to maximise its returns.

The carrying value and fair value of the identifiable net assets and liabilities on the date of the acquisition were as follows:

<table>
<thead>
<tr>
<th>Assets</th>
<th>Acquirer’s carrying amount USD’000</th>
<th>Fair value recognised on acquisition USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>281,814</td>
<td>281,814</td>
</tr>
<tr>
<td>Intangible assets*</td>
<td>12,975</td>
<td>12,975</td>
</tr>
<tr>
<td>Inventories</td>
<td>191,748</td>
<td>191,748</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>74,999</td>
<td>74,999</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>97,467</td>
<td>97,467</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Acquirer’s carrying amount USD’000</th>
<th>Fair value recognised on acquisition USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans and borrowings</td>
<td>539,557</td>
<td>539,557</td>
</tr>
<tr>
<td>Payables and other liabilities</td>
<td>7,159</td>
<td>7,159</td>
</tr>
<tr>
<td>Current tax liabilities - net</td>
<td>36,011</td>
<td>36,011</td>
</tr>
<tr>
<td>Deferred tax liabilities*</td>
<td>51,562</td>
<td>51,562</td>
</tr>
</tbody>
</table>

Total fair value of net assets acquired 815,993

26. BUSINESS COMBINATIONS CONTINUED

ACQUISITION OF SIGNIFICANT SUBSIDIARIES

IMPERIAL LOGISTICS LIMITED

On 14 March 2022, the Group acquired 100% equity and voting interest in Imperial Logistics Limited (Imperial) for a purchase consideration of USD 815,993 thousand. Imperial is an integrated logistics and market access company with operations mainly across the African continent and in Europe.

The Group received total cash consideration of USD 2.4 billion from Hassana, including a shareholder loan of USD 344,336 thousand.

The Group has elected to measure the non-controlling interests in the acquiree at the proportionate share of its interest in the acquiree’s identifiable net assets.

From the acquisition date, this business has contributed revenues of USD 3,599,518 thousand and profit of USD 25,100 thousand to the Group’s results. If the acquisition had occurred on 1 January 2022, management estimates that consolidated revenue would have increased by USD 4,319,421 thousand and consolidated profit for the year would have increased by USD 30,120 thousand. In determining these amounts, management has assumed that the fair value adjustments, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2022.

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Eurofo Sarl operates marine terminals at Fos, France. Historically this terminal along with Le Havre terminal were managed jointly under PSP. Both the ports are geographically separated and have different users. Taking control of this port will enable the Group to have autonomy to implement strategy specific to this port to maximise its returns.

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<table>
<thead>
<tr>
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<th>Acquirer’s carrying amount USD’000</th>
<th>Fair value recognised on acquisition USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans and borrowings</td>
<td>539,557</td>
<td>539,557</td>
</tr>
<tr>
<td>Payables and other liabilities</td>
<td>7,159</td>
<td>7,159</td>
</tr>
<tr>
<td>Current tax liabilities - net</td>
<td>36,011</td>
<td>36,011</td>
</tr>
<tr>
<td>Deferred tax liabilities*</td>
<td>51,562</td>
<td>51,562</td>
</tr>
</tbody>
</table>

Total fair value of net assets acquired 815,993
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

26. BUSINESS COMBINATIONS CONTINUED

ACQUISITION OF SIGNIFICANT SUBSIDIARIES CONTINUED

AFRICA FMCG DISTRIBUTION LIMITED

Effective 1 August 2022, the Group acquired 51% shareholding in Africa FMCG Distribution Limited (AFMCG) for a consideration of USD 130,652 thousand, comprising cash of USD 77,454 thousand and contingent consideration of USD 53,198 thousand. AFMCG is a multi-faceted business, distributing products that positively impact the lives of consumers in Africa every day. Its services also extend to co-manufacturing, co-packing, sourcing and value-added services in the fast-moving consumer goods (FMCG) sector.

The carrying value and fair value of the identifiable net assets and liabilities on the date of the acquisition were as follows:

<table>
<thead>
<tr>
<th>Assets</th>
<th>Acquirer’s carrying amount USD’000</th>
<th>Fair value recognised on acquisition USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>28,723</td>
<td>28,723</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>21,383</td>
<td>21,383</td>
</tr>
<tr>
<td>Right-of-use asset</td>
<td>667</td>
<td>667</td>
</tr>
<tr>
<td>Inventories</td>
<td>53,783</td>
<td>53,783</td>
</tr>
<tr>
<td>Receivables and other assets</td>
<td>21,383</td>
<td>21,383</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>26,677</td>
<td>26,677</td>
</tr>
</tbody>
</table>

| Liabilities |  |
| Loans and borrowings | 2,534 | 2,534 |
| Lease liabilities | 389 | 389 |
| Loan from non-controlling interest | 4,114 | 4,114 |
| Payables and other liabilities | 106,988 | 106,988 |
| Tax liabilities | 653 | 653 |

Net assets acquired | 130,652 |

Net cash paid on acquisition (i.e. cash paid for acquisition less cash acquired on acquisition) amounted to USD 69,746 thousand.

From the acquisition date, this business has contributed revenues of USD 131,662 thousand and profit of USD 7,454 thousand to the Group’s results.

J&J GROUP

The Group acquired 51% shareholding in the J&J Group (comprising of Lift Logistics Holdco and Greendoor Group Proprietary Limited) for USD 69,746 thousand, comprising cash of USD 62,733 thousand and contingent consideration of USD 7,013 thousand. The Group acquired the shareholding on 1 August 2022.

The Group has recognised the fair value of identifiable net assets on acquisition date amounting to USD 34,952 thousand, non-controlling interest of USD 32,594 thousand and excess of consideration over the identifiable assets and non-controlling interest as goodwill amounting to USD 68,190 thousand. Further, the Group has a contractual arrangement with the seller to acquire the remainder 49% equity interest within two years from the acquisition date. In this regard, the Group has recognised a financial liability amounting to USD 59,230 thousand on the acquisition date.

J&J Group, which is headquartered in Mozambique and is the largest integrated logistics operator on Mozambique’s Beira corridor, offers end-to-end logistics solutions along the Beira and North-South corridors, specialising in the transport of break-bulk, containerised, project, fuel and oil out-of-gauge cargo between Mozambique, Zimbabwe, Zambia, South Africa, Malawi and the Democratic Republic of the Congo. The transaction came into effect on 1 August 2022.

Net cash paid on acquisition (i.e. cash paid for acquisition less cash acquired on acquisition) amounted to USD 69,746 thousand.

From the acquisition date, this business has contributed revenues of USD 131,662 thousand and profit of USD 7,454 thousand to the Group’s results. If the acquisition had taken place at the beginning of the year, the consolidated revenues of the Group would have increased by USD 314,851 thousand and consolidated profit for the Group would have increased by USD 7,333 thousand. The gross amount of trade receivables of J&J Group as on acquisition date was USD 89,831 thousand.

27. SIGNIFICANT GROUP ENTITIES

The extent of the Group’s ownership in its various subsidiaries, equity-accounted investees and their principal activities are as follows:

A) SIGNIFICANT HOLDING COMPANIES

<table>
<thead>
<tr>
<th>Legal Name</th>
<th>Ownership interest</th>
<th>Country of incorporation</th>
<th>Principal activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>DP World FZE</td>
<td>100%</td>
<td>United Arab Emirates</td>
<td>Development and management of international marine and inland terminal operations</td>
</tr>
<tr>
<td>Thunder FZE</td>
<td>100%</td>
<td>United Arab Emirates</td>
<td>Holding company</td>
</tr>
<tr>
<td>The Peninsular and Oriental Steam Navigation Company Limited (&quot;P&amp;O SNCo&quot;)</td>
<td>100%</td>
<td>United Kingdom</td>
<td>Management and operation of international marine terminal operations</td>
</tr>
<tr>
<td>Economic Zones World FZE</td>
<td>100%</td>
<td>United Arab Emirates</td>
<td>Development, management and operation of free zones, economic zones, industrial zones and logistics parks</td>
</tr>
<tr>
<td>DP World Jebel Ali Terminals and Free Zones Fzco</td>
<td>67.3%</td>
<td>United Arab Emirates</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP World Australia (PSSN) Pty Ltd</td>
<td>100%</td>
<td>Australia</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP Terminals Asia Holdings Limited</td>
<td>100%</td>
<td>British Virgin Islands</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP Terminals (BV) Limited</td>
<td>100%</td>
<td>British Virgin Islands</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP Terminals Asia (BV) Limited</td>
<td>100%</td>
<td>British Virgin Islands</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP World Canada Investment Inc.</td>
<td>55%</td>
<td>Canada</td>
<td>Holding company</td>
</tr>
<tr>
<td>Hindustan Infralog Private Limited (refer note (ix))</td>
<td>65%</td>
<td>India</td>
<td>Holding company</td>
</tr>
<tr>
<td>Hindustan Ports Private Limited</td>
<td>100%</td>
<td>India</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP World Ports Cooperative U.A.</td>
<td>100%</td>
<td>Netherlands</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP World Maritime Cooperative U.A.</td>
<td>100%</td>
<td>Netherlands</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP World International Investment BV</td>
<td>55%</td>
<td>Netherlands</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP World Australia BV</td>
<td>55%</td>
<td>Netherlands</td>
<td>Holding company</td>
</tr>
<tr>
<td>Ports International FZCOC</td>
<td>90%</td>
<td>United Arab Emirates</td>
<td>Holding company</td>
</tr>
<tr>
<td>DP World Siaka FZCOC</td>
<td>90%</td>
<td>United Arab Emirates</td>
<td>Holding company</td>
</tr>
<tr>
<td>ENAF BV</td>
<td>90%</td>
<td>Netherlands</td>
<td>Holding company</td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27. SIGNIFICANT GROUP ENTITIES CONTINUED

B) SIGNIFICANT SUBSIDIARIES – PORTS

<table>
<thead>
<tr>
<th>Legal Name</th>
<th>Ownership interest</th>
<th>Country of incorporation</th>
<th>Principal activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>DP World MPL Services S.A.</td>
<td>100%</td>
<td>Angola</td>
<td>Multi-purpose terminal</td>
</tr>
<tr>
<td>Terminais Rio de la Plata S.A.</td>
<td>55.62%</td>
<td>Australia</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World (Canada) Holding (Pty) Ltd</td>
<td>33.14%</td>
<td></td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Empresa Brasileira de Termos de Porto S.A.</td>
<td>100%</td>
<td>Brazil</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Caudex Investments Inc. (refer note (ki) below)</td>
<td>50%</td>
<td>British Virgin Islands</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Caudex Services Inc. (refer note (ki) below)</td>
<td>50%</td>
<td>British Virgin Islands</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World (Canada) Inc. (refer note (ki) below)</td>
<td>55%</td>
<td>Canada</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Fraser Survey Inc. (refer note (ki) below)</td>
<td>55%</td>
<td>Canada</td>
<td>Multi-purpose and general cargo terminal operations</td>
</tr>
<tr>
<td>DP World Nanamo Inc.</td>
<td>55%</td>
<td>Canada</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Prince Rupert Inc. (refer note (ki) below)</td>
<td>55%</td>
<td>Canada</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Saint John, Inc.</td>
<td>100%</td>
<td>Canada</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Chili S.A. (refer note (ki) below)</td>
<td>54.89%</td>
<td>Chile</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Limassol Limited</td>
<td>75%</td>
<td>Cyprus</td>
<td>Multi-purpose and general cargo terminal operations</td>
</tr>
<tr>
<td>DP World Sicmna SAE</td>
<td>90%</td>
<td>Egypt</td>
<td>Container and general cargo terminal operations</td>
</tr>
<tr>
<td>DP World Pospona S.A.</td>
<td>85.25%</td>
<td>Ecuador</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Chemial Container Terminal Private Limited</td>
<td>100%</td>
<td>India</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Indi Gateway Terminal Private Ltd</td>
<td>85.02%</td>
<td>India</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Mandra International Container Terminal Private Limited</td>
<td>100%</td>
<td>India</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Styra Sheva International Container Terminal Private Limited</td>
<td>100%</td>
<td>India</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Styra Sheva (India) Gateway Terminal Private Limited</td>
<td>100%</td>
<td>India</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Middle East Limited</td>
<td></td>
<td></td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Maputo S.A. (refer note (ki) below)</td>
<td>60%</td>
<td>Mozambique</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Gaumen International Container Terminal Pakistan Ltd</td>
<td>75%</td>
<td>Pakistan</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Callo S.R.L.</td>
<td>100%</td>
<td>Peru</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Doraleh Container Terminal S.A. (refer note (ki) &amp; (vi) below)</td>
<td>33.34%</td>
<td>Republic of Djibouti</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Integra Port Services N.V.</td>
<td>80%</td>
<td>Republic of Suriname</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Suriname Port Services N.V.</td>
<td>80%</td>
<td>Republic of Suriname</td>
<td>General cargo terminal operations</td>
</tr>
<tr>
<td>Constantia South Container Terminal S.R.L</td>
<td>100%</td>
<td>Romania</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Dakar SA (refer note (v) below)</td>
<td>54%</td>
<td>Senegal</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Babra</td>
<td>58.5%</td>
<td>Somalia</td>
<td>Container and general cargo operations</td>
</tr>
<tr>
<td>Pusan Newport Co., Ltd (refer note (ii))</td>
<td>66.03%</td>
<td>South Korea</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Tarragona SA</td>
<td>60%</td>
<td>Spain</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Yarmca Liman ipietmekeri AS</td>
<td>100%</td>
<td>Turkey</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World TIS-Pivdenny</td>
<td>51%</td>
<td>Ukraine</td>
<td>Multi-purpose terminal</td>
</tr>
<tr>
<td>Jebel Al Terminal FZE</td>
<td>67.9%</td>
<td>United Arab Emirates</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Londin Gateway Port Limited</td>
<td>100%</td>
<td>United Kingdom</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Southampton Container Terminals Limited</td>
<td>100%</td>
<td>United Kingdom</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Saigon Premier Container Terminal</td>
<td>80%</td>
<td>Vietnam</td>
<td>Roll-on/roll-off operations</td>
</tr>
<tr>
<td>Euroitos SARL (refer note (v) &amp; (vi) below)</td>
<td>50%</td>
<td>France</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Styra Sheva International Container Terminal Private Limited</td>
<td>100%</td>
<td>India</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Styra Sheva (India) Gateway Terminal Private Limited</td>
<td>100%</td>
<td>India</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Middle East Limited</td>
<td></td>
<td></td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Maputo S.A. (refer note (ki) below)</td>
<td>60%</td>
<td>Mozambique</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Gaumen International Container Terminal Pakistan Ltd</td>
<td>75%</td>
<td>Pakistan</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Callo S.R.L.</td>
<td>100%</td>
<td>Peru</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Doraleh Container Terminal S.A. (refer note (ki) &amp; (vi) below)</td>
<td>33.34%</td>
<td>Republic of Djibouti</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Integra Port Services N.V.</td>
<td>80%</td>
<td>Republic of Suriname</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Suriname Port Services N.V.</td>
<td>80%</td>
<td>Republic of Suriname</td>
<td>General cargo terminal operations</td>
</tr>
<tr>
<td>Constantia South Container Terminal S.R.L</td>
<td>100%</td>
<td>Romania</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Dakar SA (refer note (v) below)</td>
<td>54%</td>
<td>Senegal</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Babra</td>
<td>58.5%</td>
<td>Somalia</td>
<td>Container and general cargo operations</td>
</tr>
<tr>
<td>Pusan Newport Co., Ltd (refer note (ii))</td>
<td>66.03%</td>
<td>South Korea</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Tarragona SA</td>
<td>60%</td>
<td>Spain</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World Yarmca Liman ipietmekeri AS</td>
<td>100%</td>
<td>Turkey</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World TIS-Pivdenny</td>
<td>51%</td>
<td>Ukraine</td>
<td>Multi-purpose terminal</td>
</tr>
<tr>
<td>Jebel Al Terminal FZE</td>
<td>67.9%</td>
<td>United Arab Emirates</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Londin Gateway Port Limited</td>
<td>100%</td>
<td>United Kingdom</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Southampton Container Terminals Limited</td>
<td>100%</td>
<td>United Kingdom</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Saigon Premier Container Terminal</td>
<td>80%</td>
<td>Vietnam</td>
<td>Roll-on/roll-off operations</td>
</tr>
<tr>
<td>Euroitos SARL (refer note (v) &amp; (vi) below)</td>
<td>50%</td>
<td>France</td>
<td>Container terminal operations</td>
</tr>
</tbody>
</table>

27. SIGNIFICANT GROUP ENTITIES CONTINUED

C) ASSOCIATES AND JOINT VENTURES – PORTS

<table>
<thead>
<tr>
<th>Legal Name</th>
<th>Ownership interest</th>
<th>Country of incorporation</th>
<th>Principal activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dazzar Port World Spa</td>
<td>50%</td>
<td>Algeria</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>DP World GyarGyar Spa</td>
<td>50%</td>
<td>Algeria</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Antwerp Gateway NV</td>
<td>60%</td>
<td>Belgium</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Goodwin DP World Hong Kong Limited</td>
<td>25%</td>
<td>Hong Kong</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Rotterdam World Gateway B.V.</td>
<td>30%</td>
<td>Netherlands</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Dongda Oceanic Container Terminal Co., Ltd (refer note (x) below)</td>
<td>29%</td>
<td>People’s Republic of China</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Yantai International Container Terminals Ltd</td>
<td>50%</td>
<td>People’s Republic of China</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Terminales Portuarios Eurosaudini Pana S.A.</td>
<td>65%</td>
<td>Peru</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Asian Terminals Inc (refer note (i) &amp; (vi) below)</td>
<td>50%</td>
<td>Philippines</td>
<td>Container terminal operations</td>
</tr>
<tr>
<td>Laem Chabang International Terminal Co. Ltd (refer note (x) below)</td>
<td>34.50%</td>
<td>Thailand</td>
<td>Container terminal operations</td>
</tr>
</tbody>
</table>

D) OTHER NON-PORT BUSINESS

<table>
<thead>
<tr>
<th>Legal Name</th>
<th>Ownership interest</th>
<th>Country of incorporation</th>
<th>Principal activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>P&amp;O Maritime Services Pty Ltd</td>
<td>100%</td>
<td>Australia</td>
<td>Maritime services</td>
</tr>
<tr>
<td>DP World Antwerp Terminals N.V.</td>
<td>100%</td>
<td>Belgium</td>
<td>Ancillary container services</td>
</tr>
<tr>
<td>Topaz Energy and Marine Limited (ix)</td>
<td>100%</td>
<td>Bermuda</td>
<td>Charter of marine vessels and ship management</td>
</tr>
<tr>
<td>Unifeeder A/S</td>
<td>100%</td>
<td>Denmark</td>
<td>Maritime transport and logistics</td>
</tr>
<tr>
<td>United Feeder Services A/S</td>
<td>100%</td>
<td>Denmark</td>
<td>Maritime transport and logistics</td>
</tr>
<tr>
<td>DP World Gernersheim GmbH and Co. KG</td>
<td>100%</td>
<td>Germany</td>
<td>Inland container terminal operations</td>
</tr>
<tr>
<td>Container Rail Road Services Pvt Limited</td>
<td>100%</td>
<td>India</td>
<td>Container rail freight operations</td>
</tr>
<tr>
<td>DP World Multimodal Logistics Private Limited (refer note (ix))</td>
<td>60.81%</td>
<td>India</td>
<td>Logistics, warehousing and transportation services</td>
</tr>
<tr>
<td>DP World Rail Logistics Private Limited</td>
<td>46.07%</td>
<td>India</td>
<td>Logistics, warehousing and transportation services</td>
</tr>
<tr>
<td>Nihwa Sheva Business Park Private Limited</td>
<td>65.00%</td>
<td>India</td>
<td>Free trade warehousing zone</td>
</tr>
<tr>
<td>DP World Cold Chain Logistics Private Limited (refer note (ix))</td>
<td>59.29%</td>
<td>India</td>
<td>Cold chain logistics</td>
</tr>
<tr>
<td>Maputo Intermodal Container Daport, SA</td>
<td>55.00%</td>
<td>Mozambique</td>
<td>Dredging services</td>
</tr>
<tr>
<td>Sociedade de Desenvolvimento do Porto de Maputo, S.A.</td>
<td>24.74%</td>
<td>Mozambique</td>
<td>Inland container depot and warehousing</td>
</tr>
<tr>
<td>DP World Germany B.V.</td>
<td>100%</td>
<td>Netherlands</td>
<td>Inland container terminal operations</td>
</tr>
<tr>
<td>Base Marine Norway AS</td>
<td>51%</td>
<td>Norway</td>
<td>Charter of marine vessels and ship management</td>
</tr>
<tr>
<td>P&amp;O Maritime Services (PNG) Limited</td>
<td>100%</td>
<td>Papua New Guinea</td>
<td>Maritime services</td>
</tr>
<tr>
<td>P&amp;O Maritime Paraguay (Holdings) S.A.</td>
<td>100%</td>
<td>Paraguay</td>
<td>Maritime transport and logistics</td>
</tr>
<tr>
<td>DP World Logistics SRL</td>
<td>100%</td>
<td>Peru</td>
<td>Logistics and warehousing services</td>
</tr>
<tr>
<td>Port Secure FZCD (refer note (v) below)</td>
<td>40%</td>
<td>Republic of Djibouti</td>
<td>Port security services</td>
</tr>
<tr>
<td>DP World Novi Sad AD</td>
<td>100%</td>
<td>Republic of Serbia</td>
<td>Inland container terminal operations</td>
</tr>
<tr>
<td>Unico Logistics Co. Ltd (refer note (ix))</td>
<td>60%</td>
<td>South Korea</td>
<td>Freight forwarding and project cargo services</td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONTINUED

27. SIGNIFICANT GROUP ENTITIES CONTINUED

D) OTHER NON-PORT BUSINESS CONTINUED

Legal Name Ownership interest Country of Incorporation Principal activities

Imperial Logistics Limited (refer note (vii) below) 100% South Africa Freight management, contract logistics, freight forwarding and market access through its

Subsidiaries, associates and joint ventures.

Remodeladores de Puerto y Altera, S.A. 57.07% Spain Maritime services

Remolques y Servicios Maritimos, S.L. 93% Spain Maritime services

Swissterminal Holding AG 44% Switzerland Inland container terminal operations

P&G Maritime Ukraine LLC 51% Ukraine Maritime services

P&O World Logistics FZE 100% United Arab Emirates Trade facilitation through integrated electronic services

Dubai International Djibouti FZE (refer note (v) below) 100% United Arab Emirates Port management and operation

Drydock World LLC 100% United Arab Emirates Shipbuilding and repairs and docking services

Dubai Auto Zone Management FZE 100% United Arab Emirates Leasing operations

Dubai Textile City Management FZE 100% United Arab Emirates Leasing operations

Dubai Trade FZE 100% United Arab Emirates Trade facilitation through integrated electronic services

Jebel Ali Free Zone FZE 67.9% United Arab Emirates Management, operation and development of free zones, economic zones and industrial zones

Maritime World LLC 67.9% United Arab Emirates Property development and leasing

National Industries Park Management FZE 67.9% United Arab Emirates Management, operation and development of industrial zones

P&G Maritime FZE 100% United Arab Emirates Maritime services

P&O Marinas FZE 100% United Arab Emirates Operating marinas and property leasing

Unihedr ISC FZE Co (refer note (ix)) 64.9% United Arab Emirates Maritime transport and logistics

LG Park Freehold Limited 100% United Kingdom Management and operation of industrial parks

P&O Ferra), Division Holdings Limited 100% United Kingdom Ferry services and logistics operator

Hydropot Technologies, Inc. (refer note (i) below) 80.02% United States of America Development of hyperloop transportation system

Syncon Nacwa B.V. 100% United States of America Specialised logistics and supply chain solution

(x) These represents material equity accounted investees of the Group.

(9) These reports non-controlling interests in these subsidiaries.

(iii) This group incorporated during the year to facilitate monetisation of UAE businesses (refer to note 25).

(v) On 22 February 2018, the Government of Djibouti illegally seized control of Djibouti operations and hence the Group has stopped consolidating this entity’s operating results. The Group commenced arbitration proceedings before the London Court of International Arbitration to protect its rights, or to secure damages and compensation for forced expropriation. The London Court of International Arbitration ruled that Djibouti government’s seizure of control of the terminal from the Group as illegal. The Group will continue to pursue all legal means to defend its rights as a shareholder.

(2) The Group has received advance proceeds from sale of non-controlling interest in this entity. Changes in shareholding was effective on transfer of shares, which was completed in 2022.

(3) This entity incorporated during the year to facilitate monetisation of UAE businesses (refer to note 25).

(iv) Although the Group only has a 33.34% effective ownership interest in this entity, it was treated as a subsidiary until 22 February 2018, as the Group was able to govern the financial and operating policies of the company by virtue of an agreement with the other investor.

(vi) Although the Group only has a 33.34% effective ownership interest in this entity, it is treated as a subsidiary, as the Group has the ability to govern the financial and operating policies of the company by virtue of management control agreements with other investors.

(vi) On 22 February 2017, the Government of Djibouti illegally seized control of Djibouti operations and hence the Group has stopped consolidating this entity’s operating results. The Group commenced arbitration proceedings before the London Court of International Arbitration to protect its rights, or to secure damages and compensation for forced expropriation. The London Court of International Arbitration ruled that Djibouti government’s seizure of control of the terminal from the Group as illegal. The Group will continue to pursue all legal means to defend its rights as a shareholder.

(b) During the year, the Group advanced USD 6,510,590 thousand to the Parent Company, Port & Free Zone World FZE, to repay its syndicated loan and interest obligations. Out of this amount USD 4,628,400 thousand has been offset against dividend owed to the Parent company and the remaining balance of USD 1,882,190 thousand is expected to be offset against declaration of dividend to the Parent Company before 30 June 2023. The remaining amount of USD 1,748,227 thousand is also expected to be offset against declaration of dividend to the Parent Company before 30 June 2023 (refer to note 19).

(c) The Group has also issued guarantees on behalf of equity-accounted investees which are disclosed in note 38.

COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors and other key members of the management during the year were as follows:

2022 – USD’000 2021 – USD’000

Expenses charged:

Concession fee – – 7,953 7,953

Shared services – – 40 40

Marine services fees – – 14,146 14,146

IT services fee – – 12 12

Other services – – 8,438 8,438

Interest expense – – 51,346 51,346

Total expenses charged – – 67,189 67,189

Revenue earned:

Revenue – – 9,035 9,035

Management fee – – 27,300 27,300

Interest income 104,496 4,520 109,016 98,252 3,322 101,574

Balances with related parties included in the consolidated statement of financial position are as follows:

Due from related parties

2022 2021 2022 2021

Ultimate Parent Company 2,347 2,393 582 1,498

Parent Company (refer to note (b) below) 3,690,417 1,617,042 179,551

Equity-accounted investees 157,774 136,825 9,750 2,593

Other related parties 30,658 21,549 141,932 143,478

Total 3,821,196 1,687,609 152,264 328,320

Parent

Company

Equity- accounted

investees

Other related

parties

Total

2022 – USD’000 2021 – USD’000

Other related parties

Due to related parties

2022 2021

Short term benefits and bonus 18,458 17,301

Post retirement benefits 496 465

Total 18,954 17,766
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

29. FINANCIAL RISK MANAGEMENT

OVERVIEW

The Group has exposure to the following risks from its use of financial instruments:

a) credit risk
b) liquidity risk
c) market risk

d) interest rate risk

e) currency risk

This note presents information about the Group’s exposure to each of the above risks and the Group’s objectives, policies and processes for measuring and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Group’s risk management framework.

The Group’s risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group Audit Committee oversees how management monitors compliance with the Group’s risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Group has exposure to the following risks arising from financial instruments:

A) CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer fails to meet its contractual obligations, and arises principally from the Group’s receivables from customers, amounts due from related parties and investment securities.

Receivables and other assets

The Group trades mainly with recognised and creditworthy third parties. It is the Group’s policy that customers who wish to trade on credit terms are subject to credit verification procedures and are required to submit financial guarantees based on their creditworthiness. In addition, receivable balances are monitored on an ongoing basis with the result that the Group’s exposure to bad debts is not significant.

The Group applies IFRS 9 simplified approach to measure expected credit losses (ECLs) which uses a lifetime expected loss allowance for all trade receivables and contract assets. The Group uses an allowance matrix to measure the ECLs of trade receivables which comprise a very large number of small balances. These historical loss rates are calculated using a ‘risk rate’ method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Thus, expected credit loss rates are based on the payment profile of sales over a period of 60 months before 31 December 2022 and the corresponding historical credit losses experienced within this period. These historical rates are adjusted to reflect current and forward looking information on macroeconomic factors affecting the ability of customers to settle the receivables. The Group identified gross domestic product (GDP), global supply/demand index of container market, global freight rate index of container market, oil prices in international markets and consumer price index (CPI) to be the most relevant factors for performing macro level adjustments in expected credit loss financial model.

Other financial assets

Credit risk arising from other financial assets of the Group comprises bank balances and certain derivative instruments. The Group’s exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

The Group manages its credit risks with regard to bank deposits throughout the Group, through a number of controls, which include assessing the credit rating of the bank either from public credit ratings, or internal analysis where public data is not available and consideration of the support for financial institutions from their central banks or other regulatory authorities.

B) LIQUIDITY RISK

Liquidity risk is the risk that the Group may be unable to meet its obligations as they fall due. The Group uses a combination of financial forecasts and cash flow planning tools to keep liquidity coverage ratios above an agreed level. The Group’s liquidity risk management is closely linked to the financial risk management of the Group.

C) MARKET RISK

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market rates and prices. The Group is exposed to market risk from the fair value of its financial instruments through their sensitivity to changes in market rates and prices. The Group’s risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

D) INTEREST RATE RISK

The Group has exposure to interest rate risk from its use of financial instruments. The Group’s principal investments are cash deposits with banks and the Group’s investment policy is to invest funds available for short-term investment in low-risk, short-dated money market instruments.

E) CURRENCY RISK

The Group has exposure to foreign currency risks from its use of financial instruments. The Group’s principal currencies of denomination are USD, EUR, and JPY.

29. FINANCIAL RISK MANAGEMENT CONTINUED

OVERVIEW CONTINUED

A) CREDIT RISK CONTINUED

Financial guarantees

The Group’s policy is to consider the provision of a financial guarantee to wholly-owned subsidiaries or parent, where there is a commercial rationale to do so. Guarantees may also be provided to equity-accounted investees in very limited circumstances for the Group’s share of obligation. The provision of guarantees always requires the approval of senior management.

i. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure as at 31 December:

<table>
<thead>
<tr>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other investments</td>
<td>40,742</td>
</tr>
<tr>
<td>Receivables and other assets excluding prepayments</td>
<td>8,062,360</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>3,441,780</td>
</tr>
<tr>
<td>Total</td>
<td>11,544,882</td>
</tr>
</tbody>
</table>

The maximum exposure to credit risk for current trade receivables (net) at the reporting date by operating segments are as follows:

<table>
<thead>
<tr>
<th>Segment</th>
<th>2022 USD’000</th>
<th>2021 USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific and India</td>
<td>339,651</td>
<td>330,884</td>
</tr>
<tr>
<td>Australia and Americas</td>
<td>506,939</td>
<td>446,829</td>
</tr>
<tr>
<td>Middle East, Europe and Africa</td>
<td>1,460,846</td>
<td>868,473</td>
</tr>
<tr>
<td>Total</td>
<td>2,307,236</td>
<td>1,645,192</td>
</tr>
</tbody>
</table>

The ageing of current trade receivables (net) at the reporting date was:

<table>
<thead>
<tr>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neither past due nor impaired on the reporting date</td>
<td>1,621,712</td>
</tr>
<tr>
<td>Past due on the reporting date</td>
<td></td>
</tr>
<tr>
<td>Past due 0-30 days</td>
<td>335,843</td>
</tr>
<tr>
<td>Past due 31-60 days</td>
<td>98,427</td>
</tr>
<tr>
<td>Past due 61-90 days</td>
<td>5,141</td>
</tr>
<tr>
<td>Past due &gt; 90 days</td>
<td>188,713</td>
</tr>
<tr>
<td>Total</td>
<td>2,307,236</td>
</tr>
</tbody>
</table>

The Group believes that the unimpaired amounts that are past due by more than 30 days are still collectible, based on the historic collection trends.

Movement in the allowance for impairment in respect of trade receivables during the year was:

<table>
<thead>
<tr>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>As at 1 January</td>
<td>200,674</td>
</tr>
<tr>
<td>Acquired through business combinations</td>
<td>30,566</td>
</tr>
<tr>
<td>Provision recognised during the year</td>
<td>81,184</td>
</tr>
<tr>
<td>As at 31 December</td>
<td>312,424</td>
</tr>
</tbody>
</table>

Based on historic default rates, the Group believes that, apart from the above, no impairment allowance is necessary in respect of trade receivables not past due or past due.

Current trade receivables with the top ten customers represent 22.7% (2021: 33.5%) of the trade receivables.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

29. FINANCIAL RISK MANAGEMENT CONTINUED

OVERVIEW CONTINUED

B) LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities as they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group’s reputation.

The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of bank facilities and by ensuring adequate internally generated funds. The Group’s terms of business require amounts to be paid within 60 days of the date of provision of the service. Trade payables are normally settled within 45 days of the date of purchase.

The following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments and the impact of netting agreements.

<table>
<thead>
<tr>
<th>Carrying amount USD’000</th>
<th>Contractual cash flows USD’000</th>
<th>Less than 1 year USD’000</th>
<th>1 – 2 years USD’000</th>
<th>2 – 5 years USD’000</th>
<th>More than 5 years USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-derivative financial liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued bonds</td>
<td>8,550,470</td>
<td>(14,372,493)</td>
<td>(415,527)</td>
<td>(1,580,533)</td>
<td>(1,957,061)</td>
</tr>
<tr>
<td>Bank loans</td>
<td>6,650,819</td>
<td>(7,951,772)</td>
<td>(2,871,313)</td>
<td>(1,987,309)</td>
<td>(2,771,960)</td>
</tr>
<tr>
<td>Loans from non-controlling shareholders</td>
<td>740,691</td>
<td>(31,209)</td>
<td>(31,209)</td>
<td>(106,681)</td>
<td>(87,546)</td>
</tr>
<tr>
<td>Lease and service concession liabilities</td>
<td>3,878,835</td>
<td>(10,561,301)</td>
<td>(845,053)</td>
<td>(431,483)</td>
<td>(4,950,789)</td>
</tr>
<tr>
<td>Payables and other liabilities</td>
<td>3,533,370</td>
<td>(5,288,830)</td>
<td>(94,664)</td>
<td>(100,164)</td>
<td></td>
</tr>
<tr>
<td><strong>Derivative financial liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derivative instruments</td>
<td>122,494</td>
<td>(52,987)</td>
<td>(52,987)</td>
<td>(88,016)</td>
<td>(5,286)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>23,476,479</td>
<td>(37,682,556)</td>
<td>(5,923,323)</td>
<td>(2,548,420)</td>
<td>(5,704,740)</td>
</tr>
</tbody>
</table>

As at 31 December 2022, the Group has net current liabilities amounting to USD 1,097,323 thousand excluding due from the Parent Company of USD 1,382,390 thousand. Subsequent to the year end, the repayment date of a revolving facility amounting to USD 800,000 thousand, which was due to be repaid in 2023, has been extended to 2028 (refer to note 33). In addition, included within current liabilities are advances from customer amounting to USD 34,763 thousand and defined revenue amounting to USD 220,409 thousand which will not be settled in cash. Based on above, the Group’s management believe that the Group will meet its liquidity requirement and when it falls due during next twelve months from the reporting date.

Also, refer to note 38 for further details on financial guarantees and letters of credit.

The Group enters into derivative contracts, in order to manage market risks. All such transactions are carried out within the guidelines set by the Board of Directors in the Group Treasury policy. Generally, the Group seeks to apply hedge accounting in order to manage the volatility in the consolidated statement of profit or loss.

29. FINANCIAL RISK MANAGEMENT CONTINUED

OVERVIEW CONTINUED

C) MARKET RISK

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The proportion of the Group’s net operating assets denominated in foreign currencies (i.e., other than the functional currency of the Company, UAE dirham) is approximately 65% (2021: 65%) with the result that the Group’s USD consolidated statement of financial position, and in particular shareholder’s equity, can be affected by currency movements when it is retranslated at each year end.

The Group partially mitigates the effect of such movements by borrowing in the same currencies as those in which the assets are denominated. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying foreign operations of the Group. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances. The impact of currency movements on operating profit is partially mitigated by interest costs being incurred in foreign currencies. The Group operates in some locations where the local currency is fixed to the Group’s presentation currency of USD further reducing the risk of currency movements.

A portion of the Group’s activities generate part of their revenue and incur some costs outside their main functional currency. Due to the diverse number of locations in which the Group operates there is some natural hedging which occurs with the Group. When it is considered that currency volatility could have a material impact on the results of an operation, hedging using foreign currency forward exchange contracts is undertaken to reduce the short-term effect of currency movements.

When the Group’s businesses enter into capital expenditure or lease commitments in currencies other than their main functional currency, these commitments are hedged in most instances using foreign currency forward exchange contracts in order to fix the cost when converted to the functional currency. The Group classifies its foreign currency forward exchange contracts hedging forecast transactions as cash flow hedges and accounts for them at fair value.

Exposure to currency risk

The Group’s financial instruments in different currencies were as follows:

<table>
<thead>
<tr>
<th>Currency</th>
<th>USD</th>
<th>GBP</th>
<th>EUR</th>
<th>AUD</th>
<th>JPY</th>
<th>CAD</th>
<th>INR</th>
<th>KRW</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td>2,659,836</td>
<td>335,728</td>
<td>305,540</td>
<td>110,018</td>
<td>105,010</td>
<td>68,408</td>
<td>192,016</td>
<td>145,079</td>
<td>3,197,739</td>
<td></td>
</tr>
<tr>
<td><strong>Trade receivables</strong></td>
<td>1,427,324</td>
<td>27,996</td>
<td>151,600</td>
<td>59,243</td>
<td>51,787</td>
<td>67,282</td>
<td>34,625</td>
<td>28,851</td>
<td>2,039,718</td>
<td></td>
</tr>
<tr>
<td><strong>Unsecured bonds</strong></td>
<td>233,943</td>
<td>30,784</td>
<td>7,719</td>
<td>–</td>
<td>112,133</td>
<td>3,489</td>
<td>853</td>
<td>756</td>
<td>288,667</td>
<td></td>
</tr>
<tr>
<td><strong>Deposits receivable</strong></td>
<td>9,337</td>
<td>–</td>
<td>2,245</td>
<td>–</td>
<td>5,375</td>
<td>2,210</td>
<td>1,762</td>
<td>774</td>
<td>21,703</td>
<td></td>
</tr>
<tr>
<td><strong>Loan from non-controlling shareholders</strong></td>
<td>159,069</td>
<td>(16,320)</td>
<td>(40,744)</td>
<td>(67)</td>
<td>(195,589)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(740,691)</td>
<td></td>
</tr>
<tr>
<td><strong>Secured bonds</strong></td>
<td>(27,262)</td>
<td>(46,725)</td>
<td>(845,053)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(855,470)</td>
<td></td>
</tr>
<tr>
<td><strong>Lease and service concession liabilities</strong></td>
<td>(2,135)</td>
<td>(503,600)</td>
<td>(358,404)</td>
<td>(548,069)</td>
<td>(272,727)</td>
<td>(248,526)</td>
<td>(38,581)</td>
<td>(39,206)</td>
<td>(2,978,835)</td>
<td></td>
</tr>
<tr>
<td><strong>Trade payables</strong></td>
<td>(410,147)</td>
<td>(169,236)</td>
<td>(129,970)</td>
<td>(116,233)</td>
<td>(728,699)</td>
<td>(15,442)</td>
<td>(2,483)</td>
<td>(25,851)</td>
<td>(792,121)</td>
<td></td>
</tr>
<tr>
<td><strong>Advances and deposits from customers</strong></td>
<td>(558,031)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(3,956)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(561,987)</td>
<td></td>
</tr>
<tr>
<td><strong>Net consolidated statement of financial position exposures</strong></td>
<td>(10,534,441)</td>
<td>(1,516,613)</td>
<td>(926,897)</td>
<td>(1,200,462)</td>
<td>(321,933)</td>
<td>(735,793)</td>
<td>176,192</td>
<td>(125,308)</td>
<td>(14,915,034)</td>
<td></td>
</tr>
</tbody>
</table>

* The functional currency of the Company is UAE dirham. UAE dirham is pegged to USD and therefore the Group has no foreign currency risk on these balances.
### 29. FINANCIAL RISK MANAGEMENT CONTINUED

#### C) MARKET RISK CONTINUED

### Net consolidated statement of financial position exposures

<table>
<thead>
<tr>
<th>Position</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>(11,301,328)</td>
<td>(14,317,246)</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>(1,496,282)</td>
<td>(1,469,500)</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>(3,406,933)</td>
<td>(3,506,237)</td>
</tr>
<tr>
<td>Deposits receivable</td>
<td>(7,332,689)</td>
<td>(7,227,467)</td>
</tr>
<tr>
<td>Loans from non-controlling shareholders</td>
<td>(1,210,431)</td>
<td>(27,081)</td>
</tr>
<tr>
<td>Unsecured bonds</td>
<td>(7,242,689)</td>
<td>(7,351,212)</td>
</tr>
<tr>
<td>Lease and service concession liabilities</td>
<td>(2,294,470)</td>
<td>(352,594)</td>
</tr>
<tr>
<td>Trade payables</td>
<td>(397,466)</td>
<td>(142,118)</td>
</tr>
<tr>
<td>Advances and deposits from customers</td>
<td>(340,260)</td>
<td>(85)</td>
</tr>
<tr>
<td>Net consolidated statement of financial position exposures</td>
<td>(11,301,328)</td>
<td>(14,317,246)</td>
</tr>
</tbody>
</table>

#### Sensitivity analysis

A 10% strengthening of the USD against the following currencies at 31 December would have increased/(decreased) the consolidated statement of profit or loss and the consolidated statement of other comprehensive income by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. Furthermore, as each entity in the Group has its own functional currency, the effect of translating financial assets and liabilities of the respective entity would mainly impact the consolidated statement of other comprehensive income.

<table>
<thead>
<tr>
<th>Currency</th>
<th>100 bp increase USD'000</th>
<th>100 bp decrease USD'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>AED</td>
<td>(155,694)</td>
<td>(172,304)</td>
</tr>
<tr>
<td>EUR</td>
<td>(112,925)</td>
<td>(132,989)</td>
</tr>
<tr>
<td>AUD</td>
<td>(134,025)</td>
<td>(133,385)</td>
</tr>
<tr>
<td>INR</td>
<td>(1,979)</td>
<td>(1,736)</td>
</tr>
<tr>
<td>CAD</td>
<td>(74,636)</td>
<td>(91,750)</td>
</tr>
<tr>
<td>KRW</td>
<td>229</td>
<td>-</td>
</tr>
</tbody>
</table>

#### Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points (“bp”) in interest rates at the reporting date would have increased/(decreased) consolidated statement of profit or loss and the consolidated statement of other comprehensive income by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

<table>
<thead>
<tr>
<th>Description</th>
<th>100 bp increase USD'000</th>
<th>100 bp decrease USD'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest rate swaps</td>
<td>(12,363)</td>
<td>(12,363)</td>
</tr>
<tr>
<td>Cash flow sensitivity (net)</td>
<td>(12,174)</td>
<td>(12,174)</td>
</tr>
</tbody>
</table>

#### II: FAIR VALUE

**Fair value versus carrying amount**

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Fair value</th>
<th>Carrying amount 2022</th>
<th>Fair value 2022</th>
<th>Carrying amount 2021</th>
<th>Fair value 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative instruments</td>
<td>2,174</td>
<td>2,174</td>
<td>21,454</td>
<td>21,454</td>
<td></td>
</tr>
<tr>
<td>Loans from non-controlling shareholders</td>
<td>(1,873,376)</td>
<td>(1,783,376)</td>
<td>(2,175,357)</td>
<td>(2,175,357)</td>
<td></td>
</tr>
<tr>
<td>Loans and service concession liabilities</td>
<td>(4,369,517)</td>
<td>(4,369,517)</td>
<td>(3,878,835)</td>
<td>(3,878,835)</td>
<td></td>
</tr>
<tr>
<td>Derivative instruments</td>
<td>350</td>
<td>350</td>
<td>21,454</td>
<td>21,454</td>
<td></td>
</tr>
<tr>
<td>Loans from non-controlling shareholders</td>
<td>(12,363)</td>
<td>(12,363)</td>
<td>(12,174)</td>
<td>(12,174)</td>
<td></td>
</tr>
<tr>
<td>Derivative instruments</td>
<td>350</td>
<td>350</td>
<td>21,454</td>
<td>21,454</td>
<td></td>
</tr>
<tr>
<td>Loans from non-controlling shareholders</td>
<td>(12,174)</td>
<td>(12,174)</td>
<td>(12,363)</td>
<td>(12,363)</td>
<td></td>
</tr>
<tr>
<td>Loans and service concession liabilities</td>
<td>(3,878,835)</td>
<td>(3,878,835)</td>
<td>(4,369,517)</td>
<td>(4,369,517)</td>
<td></td>
</tr>
</tbody>
</table>
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

29. FINANCIAL RISK MANAGEMENT CONTINUED

OVERVIEW CONTINUED

D) FAIR VALUE

1. FAIR VALUE CONTINUED

Fair value hierarchy

The fair value hierarchy categorises fair value measurements into three levels based on the extent to which market inputs are observable:

• Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
• Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
• Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of derivative instrument is valued using discounted cash flow valuation techniques, which employ the use of market observable inputs such as credit quality of counterparties and observable interest rate curves at each reporting date.

The fair value for quoted bonds is based on their market price (including unpaid interest) as at the reporting date. Other loans include term loans and finance leases. These are largely at variable interest rates, therefore, the carrying value normally equals to the fair value.

30. SHARE CAPITAL

The share capital of the Company as at 31 December was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022 USD'000</th>
<th>2021 USD'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorised</td>
<td>1,250,000,000</td>
<td>1,250,000,000</td>
</tr>
<tr>
<td>Issued and paid</td>
<td>830,000,000</td>
<td>830,000,000</td>
</tr>
</tbody>
</table>

31. RESERVES

SHARE PREMIUM

Share premium represents the surplus amount received over and above the nominal cost of the shares issued to the shareholders and forms part of the shareholder equity. The reserve is not available for distribution except in specific circumstances as stipulated by the DFC Companies Law.

SHAREHOLDERS’ RESERVE

The shareholders’ reserve forms part of the distributable reserves of the Group.

TRANSLATION RESERVE

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group’s presentation currency. It includes foreign exchange translation differences arising from the translation of goodwill and purchase price adjustments which are denominated in foreign currencies at the Group level.

31. RESERVES CONTINUED

OTHER RESERVES

The following table shows a breakdown of ‘other reserves’ and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below.

<table>
<thead>
<tr>
<th></th>
<th>Hedging other reserves USD’000</th>
<th>Actuarial reserve USD’000</th>
<th>Total other reserves USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2021</td>
<td>(52,795)</td>
<td>(621,936)</td>
<td>(674,731)</td>
</tr>
<tr>
<td>Other comprehensive income, net of tax</td>
<td>27,939</td>
<td>53,767</td>
<td>81,606</td>
</tr>
<tr>
<td>Balance at 31 December 2021</td>
<td>(24,856)</td>
<td>(568,796)</td>
<td>(593,652)</td>
</tr>
<tr>
<td>Balance at 1 January 2022</td>
<td>(24,856)</td>
<td>(568,796)</td>
<td>(593,652)</td>
</tr>
<tr>
<td>Other comprehensive income, net of tax</td>
<td>107,805</td>
<td>76,803</td>
<td>184,608</td>
</tr>
<tr>
<td>Balance at 31 December 2022</td>
<td>82,949</td>
<td>(491,393)</td>
<td>(408,444)</td>
</tr>
</tbody>
</table>

ACTUARIAL RESERVE

The actuarial reserve comprises the cumulative actuarial losses recognised in the consolidated statement of other comprehensive income.

HEDGING AND OTHER RESERVES

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instruments related to hedge transactions that have not yet occurred. The other reserves mainly include statutory reserves of subsidiaries as required by applicable local legislations. This reserve includes the unrealised fair value changes on FVOCI financial instruments.

32. HYBRID EQUITY INSTRUMENT SUBORDINATED PERPETUAL CERTIFICATES

On 1 July 2020, the Group issued unsecured subordinated perpetual certificates (“hybrid bond”) of USD 1,500,000 thousand which are listed on London Stock Exchange and Nasdaq Dubai. These bonds are deeply subordinated with no maturity date. The bonds have a fixed profit rate of 6% per annum payable semi-annually in arrears till the first call date on 1 October 2025 and will be reset thereafter every five years to a new fixed rate plus the margin.

The Group has an unconditional right to paying out cash or another financial asset for the principal or profit as there is no contractual obligation to make any profit payment under the terms of the hybrid bond. Consequently, in compliance with IAS 32, these bonds are classified and presented as equity instruments in the financial statements and accordingly, these are accounted net of transaction costs and discount of USD 23,314 thousand on their initial recognition.

33. LOANS AND BORROWINGS

<table>
<thead>
<tr>
<th></th>
<th>2022 USD’000</th>
<th>2021 USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued bonds</td>
<td>8,459,368</td>
<td>8,550,470</td>
</tr>
<tr>
<td>Bank loans</td>
<td>5,666,452</td>
<td>6,650,619</td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>108,810</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>14,232,630</td>
<td>15,201,089</td>
</tr>
<tr>
<td>of which:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Classified as non-current</td>
<td>11,969,994</td>
<td>14,834,341</td>
</tr>
<tr>
<td>Classified as current</td>
<td>3,063,636</td>
<td>368,148</td>
</tr>
<tr>
<td>Secured loans and borrowings</td>
<td>3,446,502</td>
<td>3,502,056</td>
</tr>
<tr>
<td>Unsecured loans and borrowings</td>
<td>10,786,128</td>
<td>11,699,033</td>
</tr>
</tbody>
</table>

Annual Report and Accounts 2022
33. LOANS AND BORROWINGS CONTINUED

The table below provides movement of loans and borrowings:

<table>
<thead>
<tr>
<th>Year of maturity</th>
<th>Loans and overdrafts USD’000</th>
<th>Bonds USD’000</th>
<th>Total USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>2,887,712</td>
<td>1,741,219</td>
<td>4,628,931</td>
</tr>
<tr>
<td>2022</td>
<td>3,376,165</td>
<td>1,741,219</td>
<td>5,117,384</td>
</tr>
<tr>
<td>2023</td>
<td>3,877,835</td>
<td>1,741,219</td>
<td>5,619,054</td>
</tr>
</tbody>
</table>

At 31 December 2022, the undrawn committed borrowing facilities of USD 2.0 billion (2021: USD 1.5 billion) were available to the Group, in respect of which all conditions precedent had been met.

The maturity profile of the Group’s loans and borrowings (including acquired from business combinations) as of 31 December 2022 is as below:

<table>
<thead>
<tr>
<th>Year of maturity</th>
<th>Loans and overdrafts USD’000</th>
<th>Bonds USD’000</th>
<th>Total USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,387,835</td>
<td>512,323</td>
<td>3,890,158</td>
<td>4,402,683</td>
</tr>
</tbody>
</table>

34. LEASE AND SERVICE CONCESSION LIABILITIES

A: GROUP AS A LESSEE/CONCESSIONAIRE

<table>
<thead>
<tr>
<th>Year of maturity</th>
<th>Lease liability USD’000</th>
<th>Service concession liability USD’000</th>
<th>Total USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>3,384,036</td>
<td>494,799</td>
<td>3,878,835</td>
</tr>
<tr>
<td>2023</td>
<td>3,387,835</td>
<td>512,323</td>
<td>3,890,158</td>
</tr>
</tbody>
</table>

B: GROUP AS LESSOR

Future minimum rentals receivable under non-cancellable operating leases as at 31 December are as follows:

<table>
<thead>
<tr>
<th>Year of maturity</th>
<th>Lease liability USD’000</th>
<th>Service concession liability USD’000</th>
<th>Total USD’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>3,202,581</td>
<td>475,357</td>
<td>3,677,938</td>
</tr>
<tr>
<td>2023</td>
<td>3,292,852</td>
<td>475,357</td>
<td>3,768,209</td>
</tr>
</tbody>
</table>

The above operating leases (Group as a lessor) mainly consist of commercial properties leased consisting of land, office accommodation, warehouses and staff accommodation. Besides these, vessels and certain property, plant and equipment are also leased out by the Group. The leases contain renewal options for additional lease periods at rental rates based on negotiations or prevailing market rates.
35. LOANS FROM NON-CONTROLLING SHAREHOLDERS

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD’000</td>
<td>USD’000</td>
</tr>
<tr>
<td>Non-current portion</td>
<td>1,467,726</td>
<td>739,624</td>
</tr>
<tr>
<td>Current portion</td>
<td>315,650</td>
<td>1,067</td>
</tr>
<tr>
<td>Total</td>
<td>1,783,376</td>
<td>740,691</td>
</tr>
</tbody>
</table>

These loans carry interest rates ranging between 0% to 10.6% (2021: 2% to 8.5% per annum) and are repayable between 2023 and 2039.

36. CAPITAL MANAGEMENT

The Board’s policy is to maintain a strong equity base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

Equity consists of share capital, share premium, shareholders’ reserve, retained earnings, actuarial reserve, translation reserve, hybrid equity instrument and non-controlling interests. The primary objective of the Group’s capital management strategy is to ensure that it maintains a strong credit rating and healthy capital ratios such as adjusted net debt/adjusted equity and adjusted net debt/adjusted EBITDA in order to support its business and maximise shareholder value.

For calculating these ratios:

- Adjusted net debt is defined as total loans and borrowings including lease liabilities less cash and cash equivalents.
- Adjusted EBITDA is defined in note 4 Segmentation information.

The Board monitors these ratios without considering the impact of leases and concession liabilities which require further adjustments to adjusted EBITDA and equity. These modified ratios are also provided as an additional information.

The Group has entered into certain agreements with landlords and port authorities which may contain specific volume or payment commitments that could result in minimum concession/lease fees being payable on failure to meet those targets.

37. CAPITAL COMMITMENTS

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD’000</td>
<td>USD’000</td>
</tr>
<tr>
<td>Estimated capital expenditure contracted</td>
<td>1,326,523</td>
<td>1,622,103</td>
</tr>
<tr>
<td>Estimated capital expenditure contracted by equity-accounted investees</td>
<td>90,137</td>
<td>99,160</td>
</tr>
<tr>
<td>Total</td>
<td>1,416,660</td>
<td>1,721,263</td>
</tr>
</tbody>
</table>

38. CONTINGENCIES

The Group has the following contingent liabilities arising in the ordinary course of business at 31 December:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD’000</td>
<td>USD’000</td>
</tr>
<tr>
<td>Performance guarantees</td>
<td>175,127</td>
<td>149,785</td>
</tr>
<tr>
<td>Payment guarantees</td>
<td>146,763</td>
<td>74,233</td>
</tr>
<tr>
<td>Letters of credit</td>
<td>24,316</td>
<td>28,141</td>
</tr>
<tr>
<td>Guarantees issued on behalf of equity-accounted investees</td>
<td>30,603</td>
<td>39,379</td>
</tr>
<tr>
<td>Guarantees given on behalf of Parent company’s external debt*</td>
<td>–</td>
<td>6,400,000</td>
</tr>
<tr>
<td>Total</td>
<td>376,809</td>
<td>6,691,538</td>
</tr>
</tbody>
</table>

* On 17 February 2020, the Group’s Parent Company entered into USD 7.9 billion syndicated loan facilities (three to five years tenor) which were guaranteed by the Group. USD 7.9 billion was drawn down by the Parent Company and the remaining USD 1.1 billion facility was accessed by the Group on 22 July 2020, which was drawn down on 1 June 2021. On 7 July 2020, USD 1.1 billion was repaid by the Parent Company under the syndicated loan facilities, reducing its debt to USD 6.4 billion. During 2022, the remaining USD 6.4 billion was repaid thereby extinguishing the guarantee that had been issued by the Group.

39. EVENTS AFTER THE REPORTING DATE

No events have occurred after the reporting date that require disclosure for the purposes of these consolidated financial statements.