

# A Year of Recovery

After more than two years battling Covid-19, a new dawn has begun for Changi Airport with the relaxation of travel restrictions in April 2022. The return of more passengers, new air links and aircraft movements propelled Changi's strong recovery. During the year, Changi Airport Group reopened the doors of Terminal 4 (T4) and the southern wing of the newly revamped Terminal 2 (T2) to cater to the surge in travel demand. This marked Changi's return to four-terminal operations to welcome back passengers and rekindle the magic of the Changi Experience.

In tandem, travel retail sales have also seen a revival with Changi's stores seeing shoppers and diners make a comeback. The opening of T2 South ushered in new-to-Changi brands, refreshing the retail and F&B mix. At the same time, Jewel Changi Airport continued to update its offerings, with both homegrown and international brands setting up shop at the unique leisure and lifestyle destination.

Throughout this journey, the airport community braved challenges together and continued to keep the ONE Changi spirit flying high, upholding the world-class service levels that

Changi has worked hard to build. For this, Changi was presented the World's Best Airport award by Skytrax for the 12<sup>th</sup> time. The airport has received more than 660 awards since its opening, making it the most awarded airport in the world.

As international borders open and air travel rebounds, the aviation industry is showing promise with many possibilities for growth. Riding on this wave of recovery, Changi also seeks to transform service excellence by pushing the boundaries of what defines an airport, with innovation taking centre stage in its pursuit to create the airport of the future.



# Reconnecting to the World

The rapid air travel recovery has seen Changi Airport rebuilding its connectivity to the world and reclaiming its position as one of the world's busiest air hubs, with the highest international recovery among Asian airports in 2022. With over 5,800 weekly flights served by 102 airlines to 145 cities, Changi continues to serve as a key gateway for the region, connecting lives and bringing people from all over the world together.





# Flight Information Terminal 3

| Flight | Time | To               | Row | Remarks |
|--------|------|------------------|-----|---------|
| 2355   |      | 東京成田             |     |         |
| 0005   |      | Perth            |     |         |
| 0010   |      | Seoul            |     |         |
| 0015   |      | Paris-CDG        |     |         |
| 0025   |      | Melbourne        |     |         |
| 0030   |      | Munich           |     |         |
| 0045   |      | Sydney           |     |         |
| 0045   |      | Brisbane         |     |         |
| 0110   |      | London-LHR       |     |         |
| 0115   |      | 上海               |     |         |
| 0120   |      | 福岡               |     |         |
| 0125   |      | Zurich           |     |         |
| 0125   |      | 大阪関西             |     |         |
| 0130   |      | via Johannesburg |     |         |
| 0155   |      | 台北               |     |         |
| 0200   |      | Rome             |     |         |
| 0205   |      | Seoul            |     |         |
| 0225   |      | New Delhi        |     |         |
| 0235   |      | Seoul            |     |         |
| 0245   |      | Dhaka            |     |         |
| 0355   |      |                  |     |         |

Over 5,800 weekly flights served by 102 airlines to 145 cities



# Rediscovering the Wonders of Changi

As an airport, Changi aspires to be so much more to make travelling fun and stress-free. With the resumption of four-terminal operations, there is plenty for passengers to discover at Changi. Its wonders include getting close to nature with gardens and butterflies, taking a dip in the pool, catching a free movie, enjoying a relaxing snooze and much more before a flight. For a smoother passenger journey, the new fully automated immigration clearance enables seamless travel to local residents and foreign travellers from more than 50 eligible jurisdictions, as well as those on wheelchairs or in family groups.



Koi pond at Terminal 3 offers passengers in transit

a soothing and calming respite



# Reviving Travel Retail

Air travel has recovered steadily and travel retail in Changi Airport has also seen a revival in tandem. Building on the confidence that brands and retailers have in the Changi air hub, the shopping and dining offerings within Changi's terminals and Jewel Changi Airport have been refreshed. Despite some uncertainty in the business climate, CAG successfully concluded more than 140 airside concession leases and secured 19 new-to-Changi brands and concepts. At the landside, there were 28 new awards, of which 23 are new-to-Changi brands.

More than 140 airside concession leases were secured, including **19 new-to-Changi brands and concepts.**

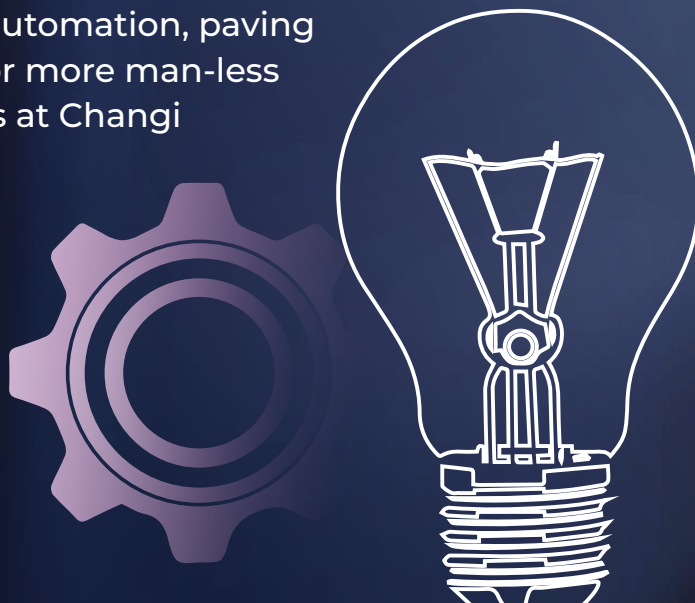




# Creating the Airport of the Future

Innovation is key to Changi Airport's development and operational excellence. As the world moves into a post-Covid era, Changi continues to transform its operations with agility to improve efficiencies, tackle manpower challenges and enhance the passenger experience. Through the use of innovative technologies such as extended reality, machine learning, Internet of Things and edge computing, CAG is preparing for an airport of the future.

Revolutionising facilities management with robotics-based cleaning automation, paving the way for more man-less operations at Changi









# Enhancing the Workplace Experience

Following the easing of Covid-19 restrictions, CAG established a hybrid work arrangement to offer flexibility for its employees while ensuring that business and operations continue to run smoothly. To enhance the workplace experience and foster social cohesion among employees, new initiatives were launched, including barista-made coffee and tea on common back-in-office days. In-office activities are also held to appreciate employees and celebrate achievements.

A huge part of what makes CAG lies in its people.

CAG makes it a priority to treat employees with the same level of care and passion as we would to travellers who pass through Changi Airport daily





# Powering a Sustainable Changi

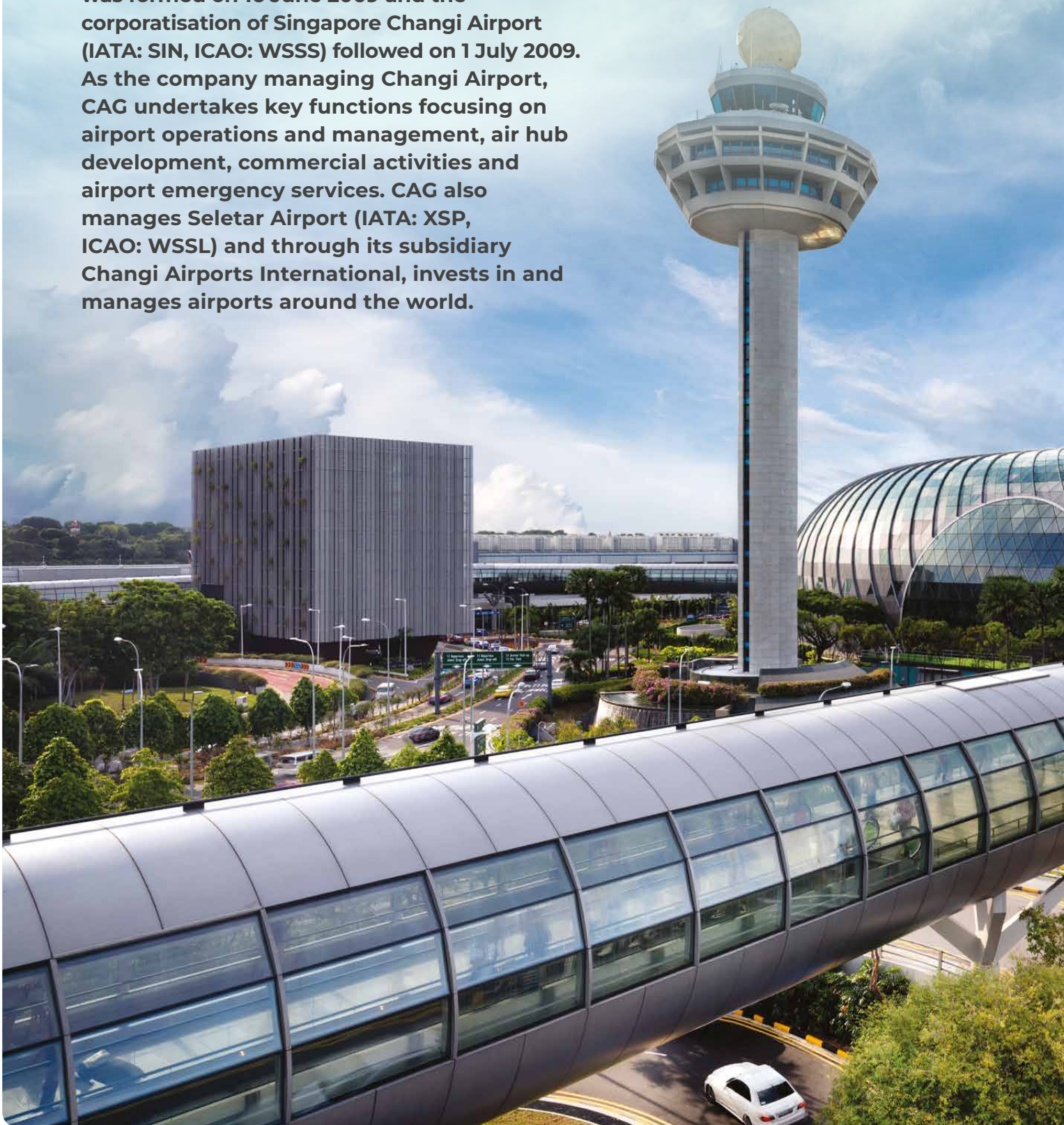
CAG is committed to advancing Changi Airport as a sustainable aviation hub. CAG is targeting zero carbon growth until 2030, capping absolute carbon emissions at 2018 levels even as the airport continues to grow its operations. In the longer term, CAG strives towards a Net Zero aspiration by 2050 through the use of new technologies and the increased adoption of renewable energy. To promote more sustainable air travel, CAG also supports green initiatives by airport partners, including the adoption of Sustainable Aviation Fuel by airlines and the use of cleaner energy vehicles on the airside by ground handlers.

CAG  
aspires towards  
**Net Zero**  
by 2050



# Corporate Profile

**Changi Airport Group (Singapore) Pte Ltd (CAG) was formed on 16 June 2009 and the corporatisation of Singapore Changi Airport (IATA: SIN, ICAO: WSSS) followed on 1 July 2009. As the company managing Changi Airport, CAG undertakes key functions focusing on airport operations and management, air hub development, commercial activities and airport emergency services. CAG also manages Seletar Airport (IATA: XSP, ICAO: WSSL) and through its subsidiary Changi Airports International, invests in and manages airports around the world.**



# Vision, Mission and Values



## Our Vision

To be a first-in-class, leading global aviation hub run by exceptional people, connecting lives and businesses, contributing to the economic growth of Singapore.

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## Our Mission

To be a global leading airport company, anchored in the heart of Asia, pioneering safe, secure, sustainable and vibrant air hubs, ready for our future.

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## Our Values

Our values and culture guide us in everything we do. They are the foundation for our decisions and the heart of our organisation. Changi Airport Group is about world-class service, delivered through our passion and culture of excellence.

We value  
**Our People**

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We lead in  
**Our Business**

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**Integrity and Service**  
are at the Heart of  
everything we do

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We are committed to  
**Our Customers**

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We succeed with  
**Our Partners**

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# Chairman and CEO Message

## SECURING CHANGI'S AIR HUB STATUS IN A YEAR OF RECOVERY

The aviation industry saw a strong rebound in financial year 2022/23 as global travel resumed with the relaxation of border restrictions around the world, including Singapore which fully reopened to all vaccinated travellers from April 2022.

Changi Airport Group (CAG) prepared well for this and successfully ramped up operations to meet the increase in passenger numbers. We are pleased to have ended the year in a strong position, ranking as one of the busiest air hubs in Asia. Passenger traffic through Changi Airport rose steadily throughout the year to reach 82% of pre-Covid levels by March 2023. For the whole of 2022/23, we recorded an eightfold increase, year-on-year (yoy), in passenger movements to 42.6 million or 62% of pre-Covid levels. The number of aircraft movements doubled yoy to 257,000.

Changi's passenger growth was the result of our determined efforts to rebuild the Singapore air hub. As of March 2023, Changi was linked to 145 cities. This is about 80% of our pre-Covid connectivity. Today, there are over 100 airlines operating at Changi, including nine new to the Changi family.

As we celebrate a significant year of recovery, we were encouraged by the vote of confidence from travellers around the world who endorsed Changi as the World's Best Airport at the Skytrax Awards 2023, making it the 12<sup>th</sup> time we have been given this recognition.

## REGAINING BUSINESS VIABILITY AND FINANCIAL STRENGTH

With the resumption of travel, the Group has returned to profitability with a net profit of

S\$33 million. Our stronger financial performance was driven by partial recovery in revenues from airport services and airport concessions, boosted by faster than expected passenger traffic growth. Overall, revenue for the Group doubled to S\$1.9 billion from the year before.

Core operating, maintenance and manpower costs rose with an increased level of business activities, while energy prices surged more than three times during the year, driving up electricity costs. Covid-related government support was also progressively scaled down with traffic recovery. Excluding depreciation and amortisation charges of S\$0.7 billion, the Group incurred operating expenses of S\$1.2 billion in 2022/23, an increase of 42% yoy.

As at 31 March 2023, total equity attributable to the shareholder of the Company was S\$6.3 billion and the liquidity position of the Group remained healthy with cash and marketable securities totalling S\$2.1 billion.

## RAMPING UP THE AIRPORT'S OPERATIONS

During the year, CAG resumed operations at all four terminals to provide capacity for the increase in travel demand. The Arrival Hall of the revamped southern wing of Terminal 2 (T2) was reopened in May 2022, followed by its Departure Hall in October 2022.

In September 2022, the doors of Terminal 4 (T4) were also opened, with 14 airlines returning to the terminal from Terminal 1 (T1). To cater to the surge in travel demand, CAG carried out a fundamental and crucial rebalancing of airlines across all four terminals to optimise the airport's operations. As part of this effort, the Jetstar Group was also successfully relocated to T4 from T1 in March 2023.



Over at Seletar Airport, commercial flight operations resumed in June 2022, with Firefly reinstating regular scheduled flights to Subang, Malaysia.

Amid stiff challenges to secure the necessary manpower resources, CAG kept its operational capabilities and service standards high, focusing on driving transformation to uplift processes for greater efficiency and safety, as well as smoother passenger journeys.

At the newly renovated T2, the baggage handling system was upgraded with intelligent features that can analyse data and monitor bag status in real time to detect abnormalities and facilitate baggage recovery more efficiently.

To enhance passengers' immigration clearance experience, CAG also supported the Immigration & Checkpoints Authority in its automation of the immigration process for both departure and arrival. Instead of manual counters, foreign travellers from more than 50 eligible jurisdictions, including first-time visitors, can now use automated lanes for faster immigration clearance. An automated Special Assistance Lane for travellers on wheelchairs and family groups was also introduced.

In the face of a manpower crunch, we stepped up and assisted our existing tenants in hiring staff for their shops' reopening to serve the increasing number of passengers. We also accelerated the leasing of the airport's concessions and successfully secured numerous brands and operators within a short lead time to meet the demand for travel retail. Along with the reopening of T4 and the southern wing of T2, CAG also brought in a fresh new mix of brands to provide visitors with a rejuvenated shopping and dining experience.

**As we celebrate a significant year of recovery, we were encouraged by the vote of confidence from travellers around the world who endorsed Changi Airport as the World's Best Airport at the Skytrax Awards 2023, making it the 12<sup>th</sup> time we have been given this recognition.**

#### **ENTHRALLING VISITORS WITH THE CHANGI EXPERIENCE**

As Changi welcomed more passengers back to the terminals, CAG also restarted some of the facilities and services that were closed or suspended during the pandemic. These included the airport's signature attractions in the transit areas such as the Sunflower Garden at T2 and Butterfly Garden in Terminal 3 (T3). We also introduced new retail products and experiential services, including a revamped Central Piazza at T1, as well as a new cocktail tasting bar at T4.

## Chairman and CEO Message

Over at Jewel Changi Airport, we brought back the iconic light and sound show at the HSBC Rain Vortex and introduced new shopping and dining outlets for our visitors. Jewel's early check-in lounge also reopened on 4 May 2022, giving passengers the convenience of an alternative check-in option, up to 24 hours ahead of their flight.

We continued to engage local residents with one-of-a-kind events at both Jewel and the public areas of our terminals with activities such as live screenings of the FIFA World Cup 2022 and the annual Changi Festive Village during the year-end holidays.

### PREPARING FOR UNPREDICTABLE HEADWINDS

Leveraging the current growth momentum, we are optimistic that passenger traffic can reach pre-Covid levels by 2024. However, as we approach a return to normalcy, CAG is cognisant of new frictions and hurdles that can hamper growth. These include airlines' ability to procure aircraft and long-term changes to travelling behaviour.

Global economic uncertainties and inflationary pressure also continue to hamper the recovery of the air cargo sector. Total throughput for the Changi air cargo hub for 2022/23 was 1.8 million tonnes, compared to 2.0 million tonnes for the year before.

For these reasons, we will remain vigilant and continue to pave the way forward with our emphasis on supporting sustainable travel and building for

the future through innovation, while maintaining financial prudence.

### TRANSFORMING FOR THE FUTURE

During the year, CAG pressed on with its efforts to leverage new and emerging technologies that could provide solutions to current and anticipated operational challenges, such as manpower constraints and climate change.

For more efficient deployment of its firefighting resources, the Airport Emergency Service trialled remote-controlled robots to convey casualties and experimented with unmanned aircraft systems to identify hotspots via thermal infrared capabilities.

In preparation for the needs of our future operations at Changi East, where design works on the new T5 have resumed, CAG is also exploring the use of robotics to automate airport processes for higher manpower productivity. As an example, we have been experimenting with driverless baggage tractors.

Augmented reality technology is also being used at the airside to improve the way airfield maintenance is conducted, especially in low light or adverse weather conditions.

### BUILDING A SUSTAINABLE AVIATION HUB

CAG is committed to becoming a more sustainable aviation hub with zero carbon growth until 2030. Our



CAG's stronger financial performance was driven by partial recovery in revenues from airport services and airport concessions, boosted by faster than expected passenger traffic growth.

focus is on mitigating carbon emissions, enhancing waste management, conserving water resources and ensuring that the airport's facilities and operations adapt to the impacts of climate change.

As aircraft emissions account for over 90% of the aviation industry's total carbon emissions, we have continued efforts towards the commercial adoption of sustainable aviation fuel (SAF) by facilitating Singapore Airlines Group's pilot SAF programme which commenced in July 2022.

At the airside, we moved ahead with ground handlers on the use of cleaner energy vehicles. All new airside light vehicles, tractors and forklifts will be electric from 2025. To support this transition, we will be tripling our network of electric vehicle charging points to more than 300 in the coming years. Changi will also target to have all airside vehicles run on cleaner energy by 2040.

Against the escalating impact of global warming and climate change, we continue to examine the effects of extreme weather elements on airport infrastructure and operations in order to develop mitigation plans in a timely manner. In anticipation of rising temperatures, our engineering and development team seeks to strengthen our aircraft pavement resilience against harsher weather conditions. We have also invested in a laser crack management system to detect sub-millimeter pavement anomalies to enhance pavement maintenance.

## **EQUIPPING EMPLOYEES TO INNOVATE**

In our bold ambition to redefine the future of air travel, CAG took a big leap in introducing a unique work arrangement to foster innovative mindsets and behaviours among its employees. In January 2023, the company transformed its way of working, by dedicating every Friday for innovation ('i'). On 'i-Fridays', all employees are encouraged to explore innovative ideas, refine concepts and build new capabilities through planned programmes such as brown bag talks, ideathons, pitch days and innovation exchange platforms. They also have the opportunity to form interest groups with like-minded colleagues to experiment with new ideas that are outside of their regular work.

To cultivate a culture of openness and collaboration, CAG prioritises employee communication, engagement and well-being as key tenets of its people policy. New initiatives were introduced during

the year to enhance the workplace experience and foster social cohesion between colleagues, as employees returned to the office on a flexible hybrid-work arrangement when Singapore returned to normalcy after two years of Covid-19 restrictions.

Beyond its own employees, CAG is also committed to building an engaged community of airport workers. The Annual Airport Celebration, which returned after a two-year hiatus in October 2022, paid tribute to airport partners for their efforts in keeping the airport open and running throughout the pandemic as well as for rising to meet the demands of traffic recovery with agility. Thirteen airport staff received awards for their exemplary service acts.

## **FORGING AHEAD WITH STRATEGIC LEADERSHIP**

As we shift gears and enter a new post-Covid era, we would like to express our gratitude to the government and our shareholder for their backing throughout the pandemic period and support for our future plans. This has enabled our management team to navigate the challenges of Covid-19 and, moving forward, to steer Changi towards greater heights.

We would also like to take this opportunity to acknowledge our colleagues on the Board for their good counsel in the past year and look forward to their continued guidance as CAG charts a new phase of growth.

### **TAN GEE PAW**

**Chairman**

### **LEE SEOW HIANG**

**Chief Executive Officer**

# Financial Review

## FINANCIAL HIGHLIGHTS

|   | FY18/19 | FY19/20 <sup>1</sup> | FY20/21 | FY21/22 | FY22/23 |
|---|---------|----------------------|---------|---------|---------|
| <b>Profit or Loss (S\$'mil)</b>                           |         |                      |         |         |         |
| Total revenue   | 3,040   | 3,119                | 697     | 944     | 1,883   |
| Total expenses  | 2,120   | 2,252                | 1,433   | 1,526   | 1,856   |
| EBITDA  | 1,466   | 1,637                | 178     | 232     | 751     |
| Profit /(Loss) attributable to shareholder of the Company | 677     | 438                  | (954)   | (838)   | 33      |
| <b>Financial Position (S\$'mil)</b>                       |         |                      |         |         |         |
| Assets  | 15,108  | 15,948               | 15,301  | 12,750  | 13,313  |
| Liabilities   | 6,647   | 7,818                | 8,469   | 6,628   | 7,170   |
| Cash and marketable securities                            | 1,866   | 2,528                | 1,815   | 1,888   | 2,062   |
| Loans and borrowings                                      | 1,652   | 1,803                | 1,837   | 2,016   | 1,972   |
| Equity attributable to shareholder of the Company         | 7,839   | 7,887                | 6,916   | 6,218   | 6,259   |
| <b>Financial Ratios</b>                                   |         |                      |         |         |         |
| EBITDA margin   | 48.2%   | 52.5%                | 25.5%   | 24.6%   | 39.9%   |
| NPAT margin   | 18.9%   | 4.8%                 | n.m.    | n.m.    | 0.5%    |
| Return on equity  | 8.8%    | 5.6%                 | -12.9%  | -12.8%  | 0.5%    |

<sup>1</sup> The Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)") with effect from 1 April 2019. In accordance with the transition requirements, FY19/20 comparatives and balances as at 31 March 2020 have been restated.

n.m.: Not meaningful



## GROUP OPERATING REVENUE

Financial year 2022/23 was a year of recovery for the Group. Following the relaxation of Singapore's border restrictions in April 2022, passenger traffic through Changi Airport rose steadily. By March 2023, Changi's passenger traffic had reached 82% of pre-Covid levels. The recovery in air travel helped to rebuild Changi's global connectivity, making it one of the busiest airports in Asia in terms of international passenger traffic and the 3<sup>rd</sup> most connected airport in Asia.

For the whole of 2022/23, passenger movements saw an eightfold increase year-on-year (yoy) to 42.6 million, or 62% of pre-Covid levels while air traffic movements doubled yoy to

257,000, or 67% of pre-Covid levels, supporting the partial recovery in revenues from airport services and airport concessions. As the aviation industry continues to recover, the planned increase in chargeable rates for airport services, which was suspended due to the pandemic, was resumed in November 2022. This provided further uplift to revenues from airport services.

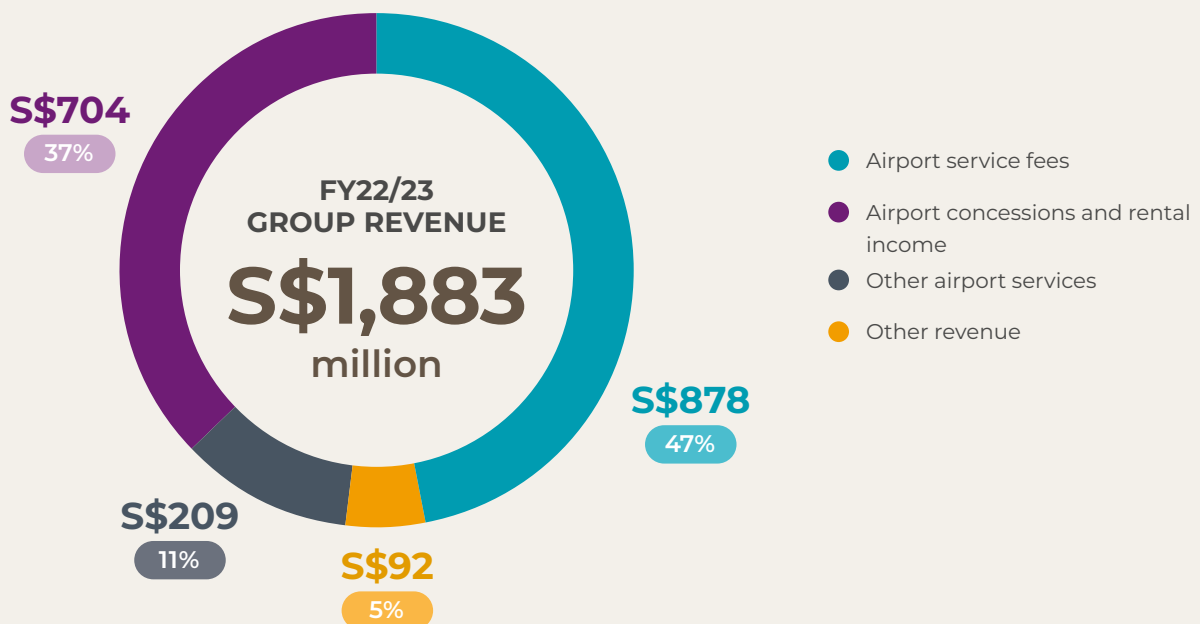
With the surge in travel demand, CAG worked closely with tenants to reopen their outlets, while also accelerating the leasing and operationalisation of Terminal 2 (T2) and Terminal 4 (T4) concessions, securing new brands and operators within a short period. Being well prepared for the travel rebound, CAG successfully ramped up operations with refreshed offerings to better serve the

increase in passenger numbers. Travellers from Asia led the way as the biggest spenders at Changi in 2022/23, with liquor & tobacco, perfumes & cosmetics, and luxury emerging as popular product categories. At Jewel Changi Airport, with the resumption of international travel, footfall more than doubled, while the mall was close to approaching full occupancy. In December 2022, Jewel achieved its highest sales since its opening in 2019.

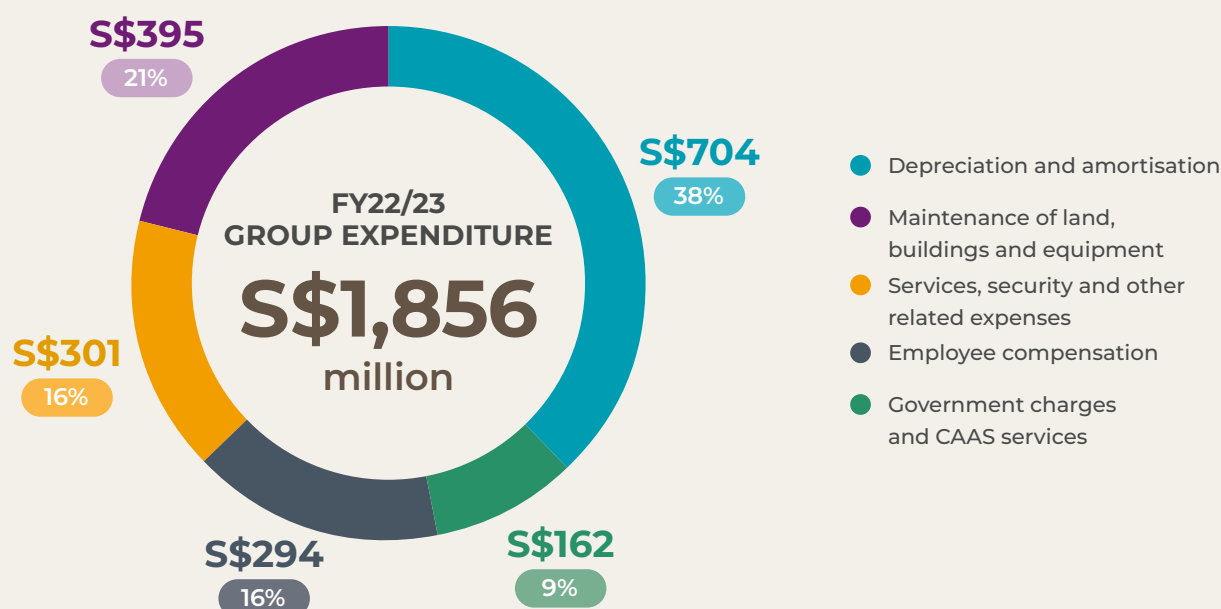
Overall, revenue for the Group doubled to S\$1.9 billion.

## GROUP EXPENDITURE

Due to the Group's significant capital investments, more than a third of the Group's expenditure comprised depreciation and amortisation charges.



## Financial Review



Excluding depreciation and amortisation charges of S\$0.7 billion, the Group incurred operating expenses of S\$1.2 billion in 2022/23, an increase of 42% yoy.

During the financial year, T4 and the revamped southern wing of T2 were reopened to provide additional capacity for the traffic recovery. Core operating, maintenance and manpower costs rose in tandem with increased level of business activities, while energy prices surged more than three times, driving up electricity costs. Covid-related government support was also progressively scaled down with traffic recovery. To address the escalation in its cost structure, the Group continues to leverage technology and innovation to drive productivity and efficiency in its operations.

One notable example was the upgrade of chiller plants and air handling stations/units to improve energy efficiency and reduce energy consumption. Additionally, the Group is making continuous efforts to move towards renewable and cleaner energy sources with its plans to install additional solar panels to harness solar energy. The Group also ramped up automation by investing in technologies such as cleaning robots, fully automated early baggage storage system and driverless baggage tractors. These technological advancements automate labour-intensive tasks and augment the workforce to improve manpower productivity.

### EBITDA AND NET PROFIT

With recovery of Changi's passenger traffic, the Group's EBITDA grew to S\$751 million

in 2022/23 and returned to profitability with a net profit attributable to the shareholder of the Company of S\$33 million.

### FINANCIAL POSITION

The Group's asset base remained strong at S\$13.3 billion, of which more than two thirds were made up of property, plant and equipment and investment property.

With traffic recovery, the Group recorded positive operating cash flow and ended the year with cash and marketable securities totalling S\$2.1 billion. Total outstanding loans and borrowings amounted to S\$2.0 billion, all of which is not due for repayment within 12 months of the financial year end.

As at 31 March 2023, total equity attributable to the shareholder of the Company was S\$6.3 billion.



# Leadership and Governance

- 60 Board of Directors
- 65 Executive Management Team
- 66 Management Team
- 67 Corporate Governance
- 72 Enterprise Risk Management

# Board of Directors

1, 2, 3, 4, 5, 6



7, 8, 9, 10, 11, 12, 13



## 1. Tan Gee Paw

Chairman

Mr Tan Gee Paw is the non-executive chairman of CAG. He was appointed to the Board on 1 May 2017 and was subsequently appointed the non-executive chairman of the Board on 23 October 2020.

Mr Tan is currently the Special Advisor to the Chairman of the PUB, Singapore's National Water Agency, a member of the Centre for Liveable Cities (CLC) Panel of Distinguished Advisors, a Board Member of Surbana Jurong Private Limited, and a Senior Advisor of the Clean Energy Advisory Group, Temasek International Advisors Pte Ltd. He is an Adjunct Professor at the College of Design and Engineering, National University of Singapore.

Mr Tan was the previous Chairman of the PUB from 1 April 2001 up until his retirement on 31 March 2017. His previous appointments include being appointed as member on a number of government committees, the Principal of Ngee Ann Polytechnic, Permanent Secretary of the then Ministry of the Environment, Advisor on Rail Transformation, Ministry of Transport and Special Advisor to Land Transport Authority.

Mr Tan received the Public Administration Medal (Silver) in 1978 and a Special Award (Gold Medal) for Clean River Commemoration in 1987. He also

received the Medal of Commendation at the NTUC May Day Award in 2005, the President's Award for the Environment in 2007 and the President's Science and Technology Medal in 2015. Mr Tan was conferred the Meritorious Service Medal in 2001 for his work as Permanent Secretary of the then Ministry of the Environment and the Distinguished Service Order in 2010 for his work as Chairman of PUB. In 2011, Mr Tan was conferred the Distinguished Engineering Alumni Award by the National University of Singapore; the Distinguished Member Award by National University of Singapore Society in 2014; and the Distinguished Professional Engineer Award in 2018 by the Professional Engineers Board. He was elected an Honorary Fellow of the Institution of Engineers, Singapore and awarded the Lifetime Engineering Achievement Award in 2015.

Mr Tan was also elected as a Fellow of the Academy of Engineering, Singapore in 2012. Mr Tan graduated with First Class Honours in Bachelor of Engineering (Civil) from the University of Malaya in 1967, and a Master of Science in Systems Engineering from the University of Singapore in 1971. He was conferred an Honorary Degree of Doctor of Science from the University of Westminster, UK in 1993; and an Honorary Doctorate in Engineering from Sheffield University, UK in 1995. In 2013, he was conferred an Honorary Degree of Doctor of Engineering by the Nanyang Technological University.





## 2. Lee Seow Hiang

Executive Director and CEO

Mr Lee Seow Hiang is the CEO of CAG. He was appointed to the Board on 16 June 2009.

Mr Lee is concurrently Chairman of Changi Airports International Pte Ltd, Changi Foundation Limited and Jewel Changi Airport companies. He also chairs the National Library Board and sits on the board of NTUC FairPrice Co-operative Ltd. He holds the appointment of Immediate Past President on the Airports Council International (ACI) Asia-Pacific Regional Board and is a Director on the ACI World Governing Board.

From 1989 to 2005, Mr Lee held various appointments in the Republic of Singapore Air Force (RSAF) and the Ministry of Defence, with his last appointment being Deputy Head of Air Operations in HQ RSAF. From 2005 to 2008, he was the Principal Private Secretary to the late Minister Mentor Lee Kuan Yew in the Prime Minister's Office.

Mr Lee was awarded the Singapore Armed Forces (SAF) Overseas Scholarship and President's Scholarship in 1989. He was also awarded the SAF Postgraduate Scholarship (General Development) in 2002. He holds a Bachelor of Arts (Honours) from the University of Cambridge, UK, and a Master of Business Administration from the Massachusetts Institute of Technology, USA.

## 3. Tan Ching Yee

Mrs Tan Ching Yee is a Non-Executive Director of CAG. She was appointed to the Board on 1 May 2017.

Mrs Tan is the Permanent Secretary of the Ministry of Finance, Singapore. She also holds the appointment of Permanent Secretary (Special Duties), Prime Minister's Office. She assumed these posts on 1 May 2016. She is Chairman of the Inland Revenue Authority of Singapore and the Accounting and a board member of the Lee Kuan Yew School of Public Policy.

Mrs Tan was previously Permanent Secretary at the Ministry of Health and the Ministry of Education. Before that, she was the Chief Executive of the then Infocomm Development Authority of Singapore, and also Deputy Secretary (Infocomm and Media Development) at the former Ministry of Information, Communications and the Arts. Prior to these roles, she had worked at the Ministry of Education and Ministry of Trade and Industry.

Mrs Tan read Economics at Cambridge University and obtained her Masters of Science in Management from the Graduate School of Business, Stanford University.

## Board of Directors

### 4. Titus lee

Mr Titus Lee is the Alternate Director to Mrs Tan Ching Yee. He was appointed to the Board on 15 January 2022.

Mr Lee is Director (Reserves and Investment) at the Ministry of Finance. Prior to joining the Ministry of Finance in November 2021, he held appointments at the Ministry of Health, the former Workforce Development Agency and the National Population and Talent Division. At the Ministry of Health, Mr Lee held the positions of Director, Aged Care Services, and Deputy Director of the Healthcare Finance Division. At the Workforce Development Agency, he was the Deputy Director overseeing workforce measures for low-wage workers. At the National Population and Talent Division, he was the Assistant Director involved in strengthening Marriage and Parenthood policies. Mr Lee started his career in the public service as an Economist with the Ministry of Trade and Industry.

Mr Lee was awarded the Public Service Commission Overseas Merit Scholarship and graduated from Northwestern University, majoring in Mathematical Methods in the Social Sciences and Economics. He also holds a Masters in International and Development Economics from Yale University.

### 5. Professor Tan Kong Yam

Professor Tan Kong Yam is a Non-Executive Director of CAG. He was appointed to the Board on 30 January 2015.

Professor Tan is presently Professor of Economics at the Nanyang Technological University. He is also Deputy Chairman of APS Asset Management (China).

From 1984 to 1988, Professor Tan was the Assistant Director on exchange rate policy at the Monetary Authority of Singapore and assistant to the late Dr Goh Keng Swee, the former Deputy Prime Minister of Singapore, who had been invited by Mr Deng Xiaoping to advise China on economic development strategy. From June 2002 to June 2005, he was a senior economist at the World Bank office in Beijing. In 2004, he was a member of the World Bank expert group on the 11th five-year plan (2006 to 2010) for the State Council in China. The expert group provided analysis and policy recommendations to the Chinese government. Prior to that, he was the chief economist of the Singapore government at the Ministry of Trade and Industry (1999 to 2002) and head of the Department of Strategy and Policy at the NUS Business School. He has also worked at the Hoover

Institution at Stanford University and World Bank in Washington.

Professor Tan is a graduate of Princeton University with a Bachelor of Art (Honours) and has a PhD in Economics from Stanford University.

### 6. Ng Chee Khern

Mr Ng Chee Khern is a Non-Executive Director of CAG. He was appointed to the Board on 1 March 2018.

Mr Ng is Permanent Secretary for Manpower in the Ministry of Manpower, which is responsible for Government policies and programmes covering the workforce and workplaces. Mr Ng was previously Permanent Secretary (Smart Nation and Digital Government) in the Prime Minister's Office from May 2017 to March 2022, where he led the government's efforts in driving the development of digital enablers for citizens and businesses and applying digital and smart solutions to improve the lives of citizens in a Smart Nation. He was Permanent Secretary (Defence Development) in Singapore's Ministry of Defence from May 2014 to April 2017 where his portfolio covered defence research and technology, capability development and acquisitions, and defence administration. He was concurrently 2nd Permanent Secretary in Singapore's Ministry of Health from August 2014 to February 2016 where he oversaw the overall operations, emergency preparedness and capacity building for the public healthcare sector in Singapore.

Mr Ng was previously the Chairman of the Government Technology Agency of Singapore (GovTech) board and served as a board member of the National Research Foundation (NRF), Civil Aviation Authority of Singapore (CAAS), Singapore Technologies Engineering Ltd, and CapitaLand Mall Trust.

### 7. Chia Song Hwee

Mr Chia Song Hwee is a Non-Executive Director of CAG. He was appointed to the Board on 1 October 2018.

Mr Chia is the Deputy Chief Executive Officer at Temasek. He has held various leadership roles in Temasek, including President and Chief Operating Officer, as well as Head of the Investment, Credit Portfolio, and Strategy Groups. He has also led the Temasek market teams in Singapore and China.

In February 2021, he was appointed to the board of Agency for Science, Technology and Research (A\*STAR).

Mr Chia also serves as a member of Singapore's Advisory Council on the Ethical Use of AI and Data, established by the Infocomm Media Development Authority (IMDA) since 2018.

Prior to joining Temasek in 2011, Mr Chia was the Chief Operating Officer at GlobalFoundries. Before the integration of GlobalFoundries and Chartered Semiconductor Manufacturing Ltd (Chartered), he served as Director of the Board, and President and CEO of Chartered from 2002 to 2009.

Mr Chia also held various management positions at Chartered, including Senior Vice President, Chief Financial Officer, and Chief Administrative Officer. Prior to Chartered, Mr Chia was Regional Controller for Asia, Australia, and the Middle East for the drilling group of Schlumberger, a global oilfield services group.

Mr Chia holds a Bachelor of Business (Accountancy) degree with distinction, from Edith Cowan University, Australia, and is a member of CPA Australia. He was honoured with the EE Times Annual Creativity in Electronics Award for Executive of the Year in 2007.

## 8. Kelvin Fan

Brigadier-General (BG) Kelvin Fan is a Non-Executive Director of CAG. He was appointed to the Board on 15 August 2018.

BG Fan is currently the Deputy Secretary (Policy), Ministry of Defence. Prior to his current appointment, BG Fan was Chief of Staff – Joint Staff, Inspector-General and Chief Sustainability Officer in the Singapore Armed Forces (SAF). He had previously served as Director (Policy) in the Ministry of Defence, as well as Chief of Staff – Air Staff, Commander Air Defence and Operations Command, and Head Air Operations in the Republic of Singapore Air Force. BG Fan is also a member of the Singapore Administrative Service and had served in the Ministry of Trade and Industry, where he was responsible for developing tourism policies such as the Integrated Resorts.

BG Fan was awarded the SAF Overseas Scholarship in 1998. He has a Master of Economics from Cambridge University, a Master of International and Developmental Economics from Yale University, and a Master of Business Administration from Massachusetts Institute of Technology. BG Fan is also a graduate of the US Air Force Command and Staff College and a Lee Kuan Yew Post-Graduate Scholar. In 2022, BG Fan was awarded the Public Service Administration (Military) (Gold).

## 9. Chng Sok Hui

Mrs Chng Sok Hui is a Non-Executive Director of CAG. She was appointed to the Board on 1 October 2019.

Mrs Chng is the Chief Financial Officer of DBS Group, and a member of the DBS Executive Committee. Prior to this appointment in 2008, she was the Managing Director and Head of Risk Management at DBS Group and held the position for six years.

Mrs Chng is currently a Board member of DBS Bank India Limited. She serves on the board of Singapore Exchange Limited and chairs its Risk Management Committee. Additionally, she is a member of the CareShield Life Council. Mrs Chng previously served on the boards of the Bank of the Philippine Islands, Inland Revenue Authority of Singapore, Housing & Development Board, Accounting Standards Council and, for 10 years, as the Supervisor of the board of DBS Bank (China) Limited.

Mrs Chng is a Chartered Financial Analyst, a Certified Financial Risk Manager, an Institute of Banking and Finance Singapore Distinguished Fellow, as well as a Fellow Chartered Accountant of Singapore. Mrs Chng was the recipient of AsiaRisk's Risk Manager of the Year Award in 2002 and The Asian Banker's Inaugural Risk Manager of the Year Award in 2012. Mrs Chng was named Best CFO at the Singapore Corporate Awards 2013, Accountant of the Year at the Inaugural Singapore Accountancy Awards in 2014 and Best CFO in Singapore by the FinanceAsia's Best Companies Awards in 2023. She is a member of the International Women's Forum (Singapore).

## 10. Kwa Kim Li

Ms Kwa Kim Li is a Non-Executive Director of CAG. She was appointed to the Board on 1 October 2019.

Ms Kwa is the Managing Partner of Lee & Lee, Advocates and Solicitors. Ms Kwa graduated in 1979 from the National University of Singapore and was called to the Singapore Bar in 1980. She has been in active legal practice with the Firm for over 40 years, and her practice areas span various aspects of law. Although her specialty is real estate, Ms Kwa also advises on loans, trusts, wills, probates, joint ventures and cross border transactions.

Ms Kwa also holds various positions outside her legal practice, including directorship in Wing Tai Holdings Limited. In the health sector, she is a Trustee of the Singapore Cardiac Society.

## Board of Directors

Ms Kwa was awarded the Ministry of Education “Service to Education” Award and the Ministry of Health 5 years Appreciation Service Award.

### 11. Abdul Wahab Bin Mohamed Yusoff

Mr Abdul Wahab Bin Mohamed Yusoff is a Non-Executive Director of CAG. He was appointed to the Board on 1 October 2019.

Mr Wahab holds the position of Vice President - Asia Pacific & Japan at Delinea, formed from established leaders in Privileged Access Management – Thycotic and Centrify. Delinea is a leading provider of cloud-ready privileged access management (PAM) solutions that empower cybersecurity for the modern, hybrid enterprise.

With over 30 years of experience in the information technology, computer and cybersecurity fields, Mr Wahab has held various leadership roles in companies that are focused on helping multi-national corporations establish and grow their operations in the Asia Pacific region. Prior to joining Delinea, Mr Wahab was Vice President, APJ of Forescout Technologies Pte Ltd from 2017 – 2021, Vice President and General Manager of Palo Alto Networks ASEAN from 2015 to 2017. He also held the role of Vice President, South Asia of McAfee & Intel Security from 2009 to 2015 and was EMC Computer Systems, South Asia’s Vice President and General Manager from 2003 to 2009.

Mr Wahab is presently a Board of Director of Singapore Civil Service College (CSC) and EZ-Link Pte Ltd. Board Member of Workforce Singapore (WSG), National Arts Council (NAC) and Energy Market Authority (EMA). He is a Non-Executive Director of Rekanext Capital Partners Pte Ltd (a venture capital fund focused on ASEAN pre-series start-ups).

Mr Wahab holds a Bachelor of Engineering degree from the National University of Singapore and is a graduate of INSEAD’s International Executive Programme.

### 12. Kee Teck Koon

Mr Kee Teck Koon is a Non-Executive Director of CAG. He was appointed to the Board on 1 March 2020.

He is the Chairman of NTUC Fairprice Co-operative Limited and Deputy Chairman of NTUC Enterprise Co-operative Limited, the holding company of Fairprice Group, NTUC First Campus, NTUC Health, Income Insurance Limited, NTUC LearningHub, NTUC Link, Mercatus and MoneyOwl.

He also holds directorships in CapitaLand Investment Limited, Tangram Asia Capital LLP and Mandai Park Holdings Pte. Ltd. He is a Board Advisor of Income Insurance Limited and a member of the Angsana Fund Investment Committee of the Singapore Labour Foundation.

Mr Kee was awarded the Public Service Star (BBM) by the Singapore Government and Meritorious Service Award by the National Trades Union Congress.

Mr Kee holds a Master of Arts in Engineering Science from Oxford University, UK.

### 13. Mark Yeo

Mr Mark Yeo is a Non-Executive Director of CAG. He was appointed to the Board on 1 April 2021.

Mr Yeo sits on the Boards of Keppel Infrastructure Trust as well as Ireit Global both of which are listed on SGX. Prior to his current appointments, Mr Yeo was Director on the Board of Changi Airports International (CAI) and held non-executive directorship on the Boards of Cityspring Infrastructure Trust, Singapore Cruise Centre and Singapore Expo/Singex.

Mr Yeo has held various senior banking positions working on the infrastructure sector in Asia, Europe and Latin America mainly doing project finance advisory. He was based both in Singapore and London. Thereafter, he held several leadership positions in corporates in Asia and the Middle East. He started his career in the Singapore civil service.

Mr Yeo graduated with a Master of Arts from the University of Oxford and a Master of Laws from the National University of Singapore. He is also a Barrister of Gray’s Inn and attended the Advanced Management Programme with Insead.

# Executive Management Team



1, 2, 3



4, 5, 6



7, 8, 9

**1 Lee Seow Hiang**  
Chief Executive Officer

**2 Lim Peck Hoon**  
Executive Vice President,  
Commercial

**3 Ng Lai Leng**  
Chief Financial Officer  
Executive Vice President,  
Enterprise Performance &  
Development

**4 Tan Lye Teck**  
Executive Vice President,  
Safety & Security

**5 Yam Kum Weng**  
Executive Vice President,  
Airport Development

**6 Eugene Gan**  
Chief Executive Officer,  
Changi Airports International

**7 Jayson Goh**  
Executive Vice President,  
Airport Management

**8 Lim Ching Kiat**  
Executive Vice President,  
Air Hub & Cargo Development

**9 Justina Tan**  
Executive Vice President,  
Corporate, People and Culture

# Management Team

(As at 1 June 2023)

## Changi Airport Group

### ANG Cheng Nam

Senior Vice President  
Changi East Safety

### ANG Siew Min

Senior Vice President  
Airport Operations Development  
& Airport Operations Services

### CHAN Boon Seng

Group Project Director  
Changi East Construction

### CHOY Da Wen

Group Senior Vice President  
Enterprise Strategy & Development

### CHUA Siew Hwi

Senior Vice President  
Enterprise Performance

### CHUNG Choon San

Group Project Director  
Changi East Construction

### James FONG

Chief Executive Officer  
Jewel Changi Airport Development

### GOH Hwai Kar

Senior Vice President  
People Services & Rewards

### HUNG Jean

Group Senior Vice President  
Enterprise Digital Ecosystem  
& Business

### Oliver KIESEWETTER

Senior Vice President  
Airside Development & Baggage

### KOH Miaw Ling

Senior Vice President  
T5 Building

### KOH Ming Sue

Managing Director  
Engineering & Development

### LECK Siew Leng

Senior Vice President  
Internal Audit

### Audrey LEE

Group Senior Vice President  
Regulatory Affairs & Sustainability

### Jacqueline LEE

Senior Vice President  
Changi East Programme  
Management Office

### LEONG Yuh Khee

Senior Vice President  
Airport Operations Technology  
& Corporate IT

### LEONG How Yin

Group Project Director  
Changi East Planning,  
Design & Construction

### Albert LIM

Group Senior Vice President  
Airport Operations Planning

### LING Ming Koon

Senior Vice President  
Airport Operations Policy & Business  
Continuity Planning

### LIU Yan Ling

Senior Vice President  
Airport Operations Strategy  
& Transformation

### Jeffrey LOKE

Senior Vice President  
Pricing & Commercial Strategy

### Jessie LOONG

Group Senior Vice President  
Legal & Compliance

### Chandra MAHTANI

Senior Vice President  
Airside Concessions

### Fiona NG

Senior Vice President  
Legal & Compliance

### Jeffrey NG

Senior Vice President  
Air Hub Strategy

### Matthew NGAN

Senior Vice President  
Changi East Mechanical & Electrical

### ONG Chee Chiau

Group Senior Vice President  
Changi East

### ONG Sim Lian

Group Senior Vice President  
Design Management

### POH Li San

Senior Vice President  
Changi East Specialised Systems

### PUAR Teck Jin

Chief  
Airport Emergency Service

### Alan Xavier TAN

Senior Vice President  
Aviation Security

### TAN Boon Seng

Project Director  
Changi East Construction

### TAN Chien Mien

Senior Vice President,  
Changi East IT Infrastructure &  
Building Systems

### Ivan TAN

Group Senior Vice President  
Corporate & Marketing  
Communications

### TAN Kok Siong

Project Director  
Changi East Construction

### TENG Hwee Onn

Group Senior Vice President  
Engineering Management & Systems  
Planning

### TEO Chew Hoon

Managing Director  
Airside Concessions

### WEN Dazhi

Senior Vice President  
Tunnel Design Management

### Damon WONG

Senior Vice President  
Airport Operations Planning

### Ivy WONG

Senior Vice President  
Enterprise Strategy & Development

### YEO Kia Thye

Managing Director  
Airport Operations Control

## Changi Airports International

### LAU Ban Kiong

Managing Director  
Changi Airport Planners & Engineers

### LIM Wee Ping

Managing Director  
Consulting Businesses

### NG Kuan Luen

Director  
Portfolio Strategy

### Jane ONG

Director and Head  
Human Resources

### OON Wei Ying

Director  
Risk and Operations

### TAN Ee

Chief Financial Officer

# Corporate Governance

The Board and Management of CAG ('the Company') are deeply committed to our Company's core value – integrity – which is at the heart of everything we do. We strive to meet and maintain the highest standards of corporate governance, professionalism and integrity, to build a company our stakeholders can be proud of. To operate a sustainable business over the long term and to uphold and protect the Company's brand and reputation, we strongly believe in being accountable to our immediate business and regulatory environment, as well as to the global community.

The Company's Code of Conduct sets out the principles and standards of conduct that it expects of all employees in their day-to-day activities and in the decisions they make. The Company also promotes a 'speak up' culture through its whistle-blowing policy, which is intended to detect and deter unethical or illegal conduct, while protecting whistle-blowers from retaliation.

In September 2022, the Company successfully re-certified its anti-bribery management system to the ISO 37001 standard, providing continuing assurance to its stakeholders that it maintains internationally recognised anti-bribery controls and practices.

In April 2023, the Company was also awarded the Data Protection Trustmark (DPTM) certification by the Infocomm Media Development Authority. The DPTM is a voluntary enterprise-wide certification for organisations to demonstrate accountable data protection practices. This is part of the Company's efforts to increase its competitive advantage and build trust with its customers, partners, and stakeholders, signalling to them that the Company has processes and systems in place to protect their personal data.

## THE BOARD OF DIRECTORS

1. The Company's Board of Directors is our highest decision-making body. It oversees the Company's long-term strategies and provides guidance to Management for the long-term performance and financial soundness of the CAG Group ('the Group'), while safeguarding the interests of stakeholders.

### Composition and Balance

2. Headed by Non-Executive Chairman, Mr Tan Gee Paw, the Board currently comprises 13 Directors (including an alternate director). Mr Lee Seow Hiang, our CEO, is the only executive member of

the Board. The majority of our Board members are independent. Our Directors are individuals with broad and diverse expertise and experience.

3. The Board Directors of the Company are:

- i. Mr Tan Gee Paw – Chairman
- ii. Mr Lee Seow Hiang – CEO
- iii. Mrs Tan Ching Yee – Shareholder Representative (Alternate: Mr Titus Lee)
- iv. Professor Tan Kong Yam
- v. Mr Ng Chee Khern
- vi. Mr Chia Song Hwee
- vii. Brigadier-General Kelvin Fan
- viii. Mrs Chng Sok Hui
- ix. Ms Kwa Kim Li
- x. Mr Abdul Wahab Bin Mohamed Yusoff
- xi. Mr Kee Teck Koon
- xii. Mr Mark Yeo

The profiles of the Directors can be found on pages 60 to 64 of this annual report. Changi Airports International Pte Ltd (CAI), a wholly owned subsidiary of the Company, has a separate Board of Directors.

4. The roles of the Chairman and the CEO are separate and distinct. The Chairman leads the Board and facilitates effective and comprehensive Board discussions and decision-making on strategic issues, while the CEO has full executive responsibility for the management of the Company's businesses and implementation of the Group's strategies and policies.
5. At this time, there are nine Board sub-committees which assist the Board in more detailed consideration of various matters. These are the Executive Committee (EXCO), Executive Resource and Compensation Committee (ERCC), Audit Committee (AC), Tenders Committee (TC), Executive Committee on Airport Development (ECAD), Operational Risk and Safety Committee (ORSC), Nominating Committee (NC), Capital Management Committee (CMC) and Technology & Systems Committee (TSC) (previously known as Technology Development Committee). Each committee is governed by its own terms of reference, which set out the scope of the committee's authority, duties and responsibilities. Ad-hoc committees are also formed from time to time to review specific issues.
6. The Board meets at least four times a year.

# Corporate Governance

## Access to Information

7. Prior to each Board Meeting and when necessary, the Board is provided with pertinent information – including updates on the Company's operating and financial key performance indicators, regulatory, industry and other significant developments relating to the Group – to enable the Board to make informed and sound decisions. The Board has full access to the Senior Management team and the Company Secretary. Should the Directors require independent professional advice on matters relating to the businesses or issues affecting their duties, the Company will, at its expense, arrange for the appointment of relevant professional advisors.

## CAPITAL & INVESTMENTS

1. The EXCO comprises the following Directors:
  - i. Mr Tan Gee Paw - Chairman
  - ii. Mrs Tan Ching Yee
  - iii. Mr Chia Song Hwee
  - iv. Professor Tan Kong Yam
  - v. Mr Lee Seow Hiang
2. The EXCO reviews and recommends to the Board financing and investment strategies of the Group and approves significant investments by the Company and CAI. The EXCO also approves treasury matters such as the acceptance of banking and credit facilities, granting of corporate guarantees, debt capital market issuances, opening of bank accounts as well as hedging policies. The EXCO also sets the financial limits for the operational, procurement and treasury activities of the Company.
3. The Company had expected to take on significant debt in the coming years to finance the development of Changi East. To that end, the CMC was established at the end of 2018 to provide specific oversight in the area of capital management. However, in light of the pause in the development of Changi East, a decision was taken to suspend the CMC on 21 October 2020 until further notice.
4. The suspended CMC comprises the following Directors:
  - i. Mr Chia Song Hwee - Chairman
  - ii. Mr Titus Lee
  - iii. Mrs Chng Sok Hui
  - iv. Mr Lee Seow Hiang

5. It was intended that the CMC would review and recommend to the Board and/or EXCO the financing strategies and plans of the Company (debt capital market issuances and bank facilities), as well as guide and advise Management on the financing execution strategy.

## EXECUTIVE RESOURCE AND COMPENSATION

1. The ERCC comprises the following Directors:
  - i. Mr Tan Gee Paw - Chairman
  - ii. Mr Chia Song Hwee
  - iii. Mr Kee Teck Koon
2. The ERCC supports and advises the Board on remuneration matters, leadership succession and development. The responsibilities of the ERCC include:
  - i. reviewing and approving the policy for determining executive remuneration, including the remuneration packages, service contract terms and benefits programme for key management executives;
  - ii. approving the appointment of key management executives, overseeing their development and reviewing succession plans to ensure a strong pipeline of talent to enable the continued success of the Company; and
  - iii. recommending the remuneration framework, including fees for non-executive Directors.

## ACCOUNTABILITY AND AUDIT

### Accountability

1. Management provides all members of the Board with reports on operating and financial information and key performance indicators on a quarterly basis and as the Board may require from time to time, to enable the Board to make balanced and informed assessments of the Company's performance, position and prospects.

### Audit Matters

2. The AC comprises the following Directors:
  - i. Mrs Chng Sok Hui – Chairman
  - ii. Mrs Tan Ching Yee
  - iii. Brigadier-General Kelvin Fan



3. The main responsibilities of the AC are to assist the Board in discharging its statutory and other responsibilities relating to the Company's internal controls, financial and accounting matters, compliance, and business and financial risk management.
4. The AC is responsible for reviewing the effectiveness of financial, compliance and risk management frameworks, as well as the robustness of the reporting and disclosure processes. The AC also reviews the adequacy of whistle-blowing arrangements implemented by the Company through which employees, partners, suppliers and contractors can raise concerns in confidence about possible improprieties in matters of financial reporting or other matters. All whistle-blowing complaints are reviewed by the AC to ensure independent and thorough investigation, and adequate follow-up and resolution of the matters reported. The AC also provides oversight for the effectiveness of the Company's anti-bribery management system.
5. The AC performs independent review of the financial statements of the Company, and reviews the key areas of management judgment applied for adequate disclosure, critical accounting policies and any significant changes that would have a material impact on the financial statements.
6. The AC reviews the adequacy and effectiveness of the internal audit function and its processes, as well as ensures it is adequately resourced to carry out its function effectively. The AC reviews the Internal Audit (IA) Division's plans, its effectiveness and audit scope, and also approves its budget. The AC receives reports from IA at the completion of each audit, and at each AC meeting, IA provides the AC with updates on the key findings from the audit reviews, the remediation actions which have been or will be taken to address these findings, and an overview of the resolution of the audit issues (including current and past-due issues) to verify the effectiveness and timeliness of actions taken by Management on the internal auditors' recommendations and observations. Any changes to the audit plan will also be tabled for AC approval at the AC meetings.
7. The AC reviews and approves the external audit plan, the scope and results of the external audit. The AC also reviews the external audit reports to ensure that significant findings and observations regarding control weaknesses are promptly rectified. Prior to making recommendations to the Board on the external auditor's appointment or reappointment, the AC reviews the external auditor's independence, objectivity and quality of work based on the Audit Quality Indicators Disclosure framework established by the Accounting and Corporate Regulatory Authority. In line with best practice, the external audit partner is rotated every five years. The AC also reviews the non-audit fees awarded to the external auditors to ensure that the non-audit services performed by them would not affect their independence.
8. The AC meets with the internal and/or external auditors three times during the year. At least one of these meetings is conducted without the presence of Management, where the auditors may raise issues encountered in the course of their work directly to the AC.

## INTERNAL CONTROLS

1. The Board and Management of the Company are fully committed to maintaining a robust system of internal controls, procedures and risk management to safeguard our shareholder's interests and the Group's assets. The Board delegates its oversight responsibilities for internal controls, financial and strategic (business) risk management and compliance matters to the AC, which ensures the effectiveness and adequacy of the system of internal controls in the Company, while the ORSC assists the Board in reviewing the operational and safety risk management and compliance systems put in place by Management.
2. The internal controls established by the Company are supported by systems, processes and people. The Company's three lines of defence for risk management are as follows:
  - i. the first line of defence is the business units who are responsible for identifying and managing risks inherent in their businesses;

## Corporate Governance

- ii. the second line of defence comprises the oversight and control functions such as Enterprise Risk Management (ERM), Legal & Compliance, Aerodrome Safety, Aviation Security, Cybersecurity & Digital Governance, and Enterprise Performance; and
  - iii. the third line of defence is IA, which provides an independent assessment and assurance on the reliability, adequacy and effectiveness of the Company's system of internal controls, risk management procedures, governance framework and processes.
3. The Company's internal and external auditors review its key internal controls for material non-compliance or failures in internal controls and recommend areas of improvements. The AC reviews the effectiveness of the actions taken by Management in response to the recommendations made.
4. The AC also reviews the effectiveness of the enterprise risk management framework and the risk management processes put in place to manage financial and strategic (business) risks while meeting business objectives. Control self-assessments in key areas of the Group's businesses / operations are conducted by Management on a periodic basis to evaluate the adequacy and effectiveness of the risk management and internal control systems.
5. As part of the Company's anti-bribery management system, all employees undergo annual anti-bribery training, and divisions perform identification and assessment of bribery risk annually and put in place appropriate mitigating measures. Employees in sensitive positions are also required to submit declarations relating to anti-bribery compliance yearly.
6. A separate TC evaluates and approves the award of tenders for goods and services exceeding S\$50 million in value, except for those related to new development projects and major redevelopment projects at Changi Airport which come under the purview of the ECAD. The TC comprises the following Directors:
  - i. Mr Ng Chee Khern – Chairman
  - ii. Ms Kwa Kim Li
  - iii. Mr Lee Seow Hiang

### Internal Audit

7. IA assists the AC to ensure that the Company maintains sound risk management and internal control systems. IA is independent of the activities it audits. It conducts regular audits of high-risk areas, and undertakes investigations as directed by the AC. It comprises suitably qualified and experienced staff, headed by the Senior Vice President, Internal Audit (SVP, IA). SVP, IA reports functionally to the Chairman of the AC, and administratively to the CEO. To ensure the independence of the IA function, the IA team has unrestricted access to the AC.
8. IA adopts a risk-based approach in formulating its annual audit plan that aligns its activities to the key risks across the Company's businesses, focusing on key internal controls, including financial, operational and compliance controls. The annual audit plan is developed in consultation with, but is independent of, Management and is approved by the AC. IA also works closely with Management to provide internal consulting and control advisory to promote effective risk management, robust internal control and good governance practices in the development of new services / products and implementation of new / enhanced systems and processes. Internal audit practices are also guided by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. IA also harnesses technology to maximise efficiencies in the way it audits, through robust use of analytics and continuous auditing.
9. IA's assessments on the adequacy and effectiveness of internal controls over processes / systems across the businesses are reported to the AC, and a summary of key findings and recommendations are also discussed at the AC meetings. IA also tracks and reports to the AC on the implementation status of actions agreed by Management, so as to ensure prompt and adequate closure of audit observations.

## AIRPORT DEVELOPMENT

1. The ECAD currently comprises three Directors, and nine non-voting co-opted members who provide additional advice and expertise in relation to development projects.
2. The three Directors are:
  - i. Mr Tan Gee Paw – Chairman
  - ii. Mr Titus Lee
  - iii. Mr Lee Seow Hiang
3. The six non-voting co-opted members<sup>1</sup> are:
  - i. Professor Lui Pao Chuen
  - ii. Mr Lim Bok Ngam
  - iii. Mr Tham Kui Seng
  - iv. Mr Lai Huen Poh
  - v. Mr Lee Chuan Seng
  - vi. Mr Lee Kut Cheung
4. The ECAD oversees new development and major redevelopment projects at Changi Airport. The responsibilities of the ECAD include:
  - i. reviewing and approving collaborations, selection of consultants, architects and other professional advisors, design concepts, aesthetic element proposals and other proposals related to development projects at Changi Airport; and
  - ii. reviewing and approving tenders for goods and services exceeding S\$50 million related to development projects at Changi Airport.

## NOMINATING COMMITTEE

1. The NC comprises the following Directors:
  - i. Mr Tan Gee Paw - Chairman
  - ii. Mrs Tan Ching Yee
  - iii. Mr Chia Song Hwee
  - iv. Ms Kwa Kim Li
2. The NC assists the Board in reviewing the structure, size, composition, core competencies and skills required by the Board and its committees to support the strategic objectives and values of the Company, and makes relevant recommendations to the Board.

## TECHNOLOGY & SYSTEMS COMMITTEE

1. The TSC comprises five Directors and one non-voting member who has been co-opted to provide additional advice and expertise, as follows:
  - i. Mr Ng Chee Khern - Chairman
  - ii. Mr Chia Song Hwee
  - iii. Mr Titus Lee
  - iv. Mr Abdul Wahab Bin Mohamed Yusoff
  - v. Mr Lee Seow Hiang
  - vi. Professor Lui Pao Chuen (co-opted member)
2. The TSC provides guidance to Management on technology-driven innovation, as well as the development of technological capabilities in support of the Company's transformation. It also guides the Company on its strategy for the co-development of solutions and investments into start-ups with promising new technologies.

<sup>1</sup> Ms Patricia Chia, Mr Chua Hua Meng and Mr Goh Hup Chor retired as ECAD co-opted members on 1 September 2022.

# Enterprise Risk Management

1. CAG continues to strengthen its risk governance and remains steadfast to its commitment to minimise key risks as well as the impact of damage through timely risk identification and implementation of appropriate mitigation strategies.
2. In financial year 2022/23, CAG focused on rebuilding the Changi air hub. Passenger traffic grew as Singapore gradually lifted Covid-19 border measures to facilitate the safe resumption of international travel in line with the stable and improved global pandemic situation. CAG ramped up airport operations and brought forward the reopening of Terminal 4 and the southern wing of Terminal 2 to meet the demands of the strong travel recovery. It navigated through nationwide manpower shortages, reduced familiarity and experience of the airport community, and escalating operating costs arising from macro inflation and a tight labour market to ensure Changi Airport continued to operate safely, securely and efficiently.

## RISK GOVERNANCE

3. The CAG Board and Management are responsible for the management of risks in Changi Airport. The Board, through the Operational Risk & Safety Committee (ORSC), provides oversight on operational and safety risks, while the review of the Company's financial and strategic risks is overseen by the Audit Committee (AC).
4. The ORSC comprises three Directors and two co-opted members, who provide additional advice and expertise to the Committee.
5. The three Directors are:  
Brigadier-General Kelvin Fan – Chairman  
Ms Kwa Kim Li  
Mr Abdul Wahab Bin Mohamed Yusoff  
  
The two co-opted members are:  
Mr Mike Barclay  
Mr Wong Woon Liong
6. The Board Committees work with the Management to ensure effective allocation of resources to create and protect CAG's assets and value. At the Management level, the Management Risk Committee (RC) is responsible for monitoring the risk management and internal control systems and ensuring that emerging risks are managed appropriately. The RC is chaired by the CEO and

comprises Senior Management members of the Company. It meets regularly to review the Company's key risks and provides strategic guidance to reinforce the implementation of enterprise risk management within the Company as needed.

7. The Enterprise Risk Management (ERM) unit supports the Board Committees and Management in their management of risks within CAG. The ERM unit carried out global risk scanning efforts for emerging risks to keep mitigation strategies timely and relevant. It also worked closely with the programme office to monitor the Changi East project comprising the future Terminal 5, connecting tunnels, and the three-runway system to ensure that risk factors across the design and construction phases, such as safety, operations, scheduling and cost, were mitigated to achieve optimal project outcomes.

## RISK AWARENESS CULTURE

8. Risk management is an integral part of CAG's culture across all levels of staff. Every employee is to function as a risk manager for his or her own area of work by being vigilant and reporting risks in a timely manner. A new risk management champions network was further set up in 2022/23 to promote a more robust risk-aware culture across CAG. This network would help to flag up emerging risks more effectively.
9. The ERM unit continued to meet with risk owners regularly to ensure that risks are adequately addressed. It is involved in key committees such as the Information Assurance Committee and the Safety Committee, and will continue to work alongside business units to provide risk advisory to help them meet their business objectives amid challenging headwinds.

## STRENGTHENING CYBERSECURITY

10. CAG has incorporated cybersecurity in its risk management framework by adopting a risk-based approach towards cybersecurity. Its proprietary cybersecurity awareness programme, mandated throughout the organisation, is updated regularly to address the latest threat landscape. CAG is one of the first international airports to achieve ISO 27001 certification for its critical airport operations. It demonstrated that it has met international standards in managing information security, and it continues to strengthen its digital security and resilience to ensure a safer cyberspace for its customers and passengers.