



A DECADE OF DISTINCTION

FY2018/19 continued to be a year of achievement as Singapore Changi Airport registered a record 66.3 million passenger movements. Crowned Skytrax's World's Best Airport for the seventh consecutive year and the 10th time in all, the accolade is a combined effort by the over 50,000-strong ONE Changi airport community. A record-breaking year, Changi Airport also scored a high of 4.997 out of 5 in the Airports Council International's Airport Service Quality (ASQ) surveys and was named Best Airport by size and region.

Connecting travellers all over the world, Changi registered a 5.2% growth in passenger traffic this year, with growth in all regions.

With more than 100 airlines connecting Singapore to 380 cities worldwide, Changi Airport is now the world's seventh busiest airport for international traffic, handling about 7,400 flights every week.

Service excellence remains the core of the Changi Experience, as Changi continues to redefine the airport experience with the completion of Terminal 1 extension works, and exciting travellers with new retail concepts and spaces.

Even as Changi celebrates its achievements across the year, it continuously pushes the boundaries of what it takes to be an airport. With Jewel Changi Airport, Changi is changing the world's perception of what an airport can be through a medley of experiences integrating nature, retail and play. Opened in April 2019, the airport's newest gem now attracts millions of visitors every month.

Changi's transformation journey has only just started. As the development of Changi East picks up pace and with terminal upgrading works in plan, Changi will continue to pursue ways to redefine air travel and the ultimate passenger experience, as it has been doing for the past decade.



DESTI NAT1ONS

As the region's premier gateway and the world's seventh busiest airport, Singapore Changi Airport registered a record number of 66.3 million passenger movements in FY2018/19. To meet rising expectations, we work closely with our airline partners to tap on opportunities in the region and beyond, reinforcing Changi's connectivity and strengthening our position as one of the leading air hubs in the world. We endeavour to bring the world closer and connect passengers to more exciting destinations.

240

CITIES CONNECTED
IN 2009



380

CITIES CONNECTED
IN 2019

EXCEP T10NAL.

Over the past decade, Changi Airport has become synonymous with exceptional service and world-class amenities. Our passenger-centric philosophy motivates us to continue redesigning the airport experience to meet the evolving needs of travellers. For the 180,000 passengers or more that pass through the airport every day, it is our goal to make every journey an unforgettable one. With Jewel Changi Airport, we have further transformed the Changi Experience – with innovative design, lush greenery and a myriad of options for shopping and dining.

106,000

PASSENGERS
ENTHRALLED
DAILY IN **2009**



182,000

PASSENGERS
ENTHRALLED
DAILY IN **2019**







INSPI RATIONS



Retail therapy takes on a whole new meaning at Changi Airport. With a stellar line-up of over 500 retail and service stores and 260 dining options across Changi's terminals and Jewel, there's something for everyone. We bring together the latest brands and most unique concepts to create memorable shopping and dining experiences. By constantly refreshing and innovating our commercial offerings, travellers and visitors are spoilt for choice at one of the world's best airports to shop and dine at.

S\$537m
CONCESSION
REVENUE IN 2009



S\$1.17bn
CONCESSION
REVENUE IN 2019

VIS TIONARY

Our spirit of innovation propels us on our quest to constantly reinvent air travel. Using cutting-edge technologies and creative solutions to optimise resources, improve operations and enhance the overall passenger experience, Changi Airport pushes the boundaries to build an airport for the future. Set to be one of the mega terminals of the world, the Changi East project lays the foundation for Changi Airport's future growth. On the back of increasing passenger traffic and strong aviation growth, the Changi East development will reinforce Changi's position as a leading airport in the global stage.

66M

PASSENGER CAPACITY
PER ANNUM IN **2009**



85M

PASSENGER CAPACITY
PER ANNUM IN **2019**







DEDICATION



People are our greatest assets. As Changi expands, the over 50,000-strong airport community continues to be the driving force behind our success. Their dedication to deliver the best Changi Experience to all passengers and visitors puts Changi Airport on the world map for service excellence. By strengthening the work culture and providing the One Changi community opportunities to learn and grow together, we strive to become an organisation that we'll be proud to call home.

28,000
DEDICATED AIRPORT
COMMUNITY
EMPLOYEES
IN 2009



50,000
DEDICATED AIRPORT
COMMUNITY
EMPLOYEES
IN 2019

PASS 10N

While we serve as the gateway to the rest of the world, we are also committed to opening new doors for disadvantaged youth in our society. Community programmes run by Changi Foundation allow us to connect with these youths and encourage them to achieve their fullest potential. Together with our partners, we are privileged to be able to provide unique opportunities for these youths to learn and grow in one of world's busiest airports.

290
VOLUNTEER HOURS
IN 2010



2,500
VOLUNTEER HOURS
IN 2018





CAG's Mission, Vision and Values

MISSION

TO BE THE WORLD'S LEADING AIRPORT COMPANY,

growing a safe, secure and vibrant air hub in Singapore and enhancing the communities we serve worldwide.

VISION

EXCEPTIONAL PEOPLE, CONNECTING LIVES

We aspire to build a company where ordinary people achieve exceptional results. Working together as a team, we bring great ideas to life and achieve exceptional results beyond our individual capabilities. Customers are our inspiration. From the youngest child to the largest corporation, we understand that what we provide connects people in ways that will enhance their lives.

VALUES



We value our
PEOPLE



We are
committed to our
CUSTOMERS



INTEGRITY
is at the heart of
everything we do



We are
the best in our
BUSINESS



We succeed with our
PARTNERS



Corporate Profile

Changi Airport Group (Singapore) Pte Ltd (CAG) was formed on 16 June 2009 and the corporatisation of Changi Airport followed on 1 July 2009.

As the airport company managing Changi Airport, CAG undertakes key functions focusing on airport operations and management, air hub development, commercial activities and airport emergency services.

Over the past three decades, CAG – previously as part of the Civil Aviation Authority of Singapore (CAAS) – has successfully established Changi Airport as the world's most awarded airport. With more than 600 accolades under its belt, Changi Airport has come a long way since its humble beginnings in 1981, when Terminal 1 (T1) first opened.

One of the world's busiest international airports today, Changi Airport is a major air hub in Asia. It handled more than 66 million passenger movements in FY2018/19, serving about 100 airlines flying to more than 380 cities worldwide. With more than 500 retail and service stores, as

well as about 260 F&B outlets across Jewel Changi Airport (Jewel) and its four terminals, Changi Airport is also one of Singapore's best places for shopping and dining. Increasingly, the airport has become a favourite haunt for Singapore residents, especially families.

To spread the success of Changi Airport far and wide, CAG invests in and manages foreign airports through its subsidiary Changi Airports International (CAI). CAI's objective is to build a quality portfolio of airport investments worldwide with strong markets and significant development potential. Its key business activities include investments in airports, as well

as the provision of consultancy and airport management services. Today, CAI's presence covers major economies including China, India, Japan, the Philippines, South America and Europe.

At Changi Airport, there is immense pride in providing impeccable service and unrivalled capabilities to deliver the iconic Changi Experience. More than just a model of functionality, the Changi Experience is about connecting passengers and engaging them, in ways that enhance their lives. Every journey through Changi Airport is an opportunity to bring people together and to help them realise their aspirations.

Chairman & CEO Message

July 2019 marked the 10th anniversary of Changi Airport's corporatisation and the formation of CAG. Over the past 10 years, we have consistently built on Changi Airport's successes and we are pleased to report a set of commendable results for financial year 2018/19.

For the year ending 31 March 2019 (FY2018/19), a 5.2% growth in passenger traffic resulted in Changi Airport managing a record 66.3 million passenger movements. This was almost 80% more than the 36.9 million passengers that passed through Changi at corporatisation 10 years ago. Cargo throughput for the year was steady at 2.14 million tonnes. On the commercial front, concession sales grew 8.1% to reach a record high of S\$2.8 billion.

Throughout the year, we were hard at work preparing to welcome the world to Jewel. This iconic development underlines CAG's continued commitment to innovation and customer experience that will help us to stay competitive and remain attractive as a global air hub. We are thankful to our passengers for the recognition that Changi Airport continues to receive, including our seventh consecutive World's Best Airport award from Skytrax in March 2019.

CHANGI'S JEWEL

It was a busy year for the CAG team as we not only completed the expansion of T1, our oldest terminal, but also worked towards the opening of Jewel to local residents and tourists alike. This game-changing lifestyle destination not only adds to Singapore's tourism offerings, it presents enormous potential for Changi to work with partners to create new experiences and continue to raise the appeal of Changi Airport as a preferred transit hub.

We have embedded airport facilities within Jewel that will enhance the Changi Experience for travellers. Besides early check-in, FAST and baggage storage facilities, there is also the new Changi Lounge which is designed to support CAG's intermodal transfer strategy to serve the growing demand for fly-cruise travel.

Jewel comes complete with a slew of unique play attractions to thrill both the young and young-at-heart. Canopy Park, located on the top level, houses attractions such as the Sky Nets, Hedge Maze, Mirror Maze, Discovery Slides and Canopy Bridge. Another attraction in Jewel is the Changi Experience Studio. It is Changi's very own interactive gallery that brings visitors on an exciting virtual adventure through the past, present and future of Changi Airport, through engaging activities. Jewel has radically defined passengers' experience in an airport.

STRENGTHENING THE NETWORK

The last year saw more stable oil prices which contributed to the overall profitability of the global aviation industry. CAG continued to work closely with our airline partners on expanding Changi's network, and we were happy to welcome four new airlines (including three from China) and new links to nine cities.

Connectivity to China continued to improve during the year, with three more city links bringing the total to 37. China traffic went up by 7.9%, while traffic to and from India, another major market, grew 10.5%. Together, these two markets accounted for 17.8% of Changi's total passenger traffic growth during the year.

There were also significant developments on European routes as we welcomed LOT Polish. This



Left to right:
LIEW Mun Leong
Chairman
LEE Seow Hiang
Chief Executive Officer





has not only provided Changi with a non-stop service to Warsaw, but also allowed passengers to enjoy connectivity options through LOT's extensive intra-Europe network. With Scoot's introduction of four weekly services to Berlin, Changi is now connected to 19 cities in Europe.

FY2018/19 also saw significant developments in ultra long-haul flights from Changi Airport. In October 2018, Singapore Airlines launched the world's longest commercial flight from Singapore to Newark, in addition to non-stop services to Los Angeles and San Francisco. Including United Airlines' twice-daily non-stop services to San Francisco, there are now 41 weekly non-stop services to the United States.

Whilst we are optimistic of growth in aviation, especially in Asia, we are reminded by recent events that the industry's prospects can be affected by events beyond our control. The grounding of the Boeing 737 Max aircraft has affected some of our airline partners and would moderate seat capacity growth in the near future. Growth in the industry could also be hampered if fuel costs rise or the trade situation between the USA and China worsens. History has shown that the imposition of higher tariffs can significantly affect cargo movements.

WORLD-CLASS TRAVEL RETAIL

Our commitment to re-inventing the travel retail space through innovative collaborations and initiatives has helped Changi Airport to mitigate the effects of stiff competition from e-commerce platforms, with spend per passenger rising slightly during the year.

Recognising that shopping online is increasingly an attractive proposition for many, iShopChangi, Changi's e-commerce portal, has increased the number of products carried to more than 20,000, as well as redesigned its website to make it even more user-friendly for customers. This has resulted in its customer base growing to over 100,000 shoppers.

Changi's loyalty programme, Changi Rewards, underwent a facelift and introduced several new initiatives and member benefits such as free parking and airport lounge access for Platinum and Gold members. As part of the enhancement, the more than one million Changi Rewards members can now access and redeem their loyalty points via the iChangi mobile app.

To stretch Changi Airport's marketing footprint beyond Singapore, CAG has embarked on strategic partnerships with top international brands to have their global product launches in Changi Airport. Such joint activities and promotions have been successful in raising awareness and driving sales.

ELEVATING THE AIRPORT EXPERIENCE

Recognising that the digital experience is critical to today's customers, we have made efforts to enhance this experience across the key passenger touchpoints in Changi's digital ecosystem. Both the Changi Airport website and iChangi mobile application were redesigned, and a new website for Jewel was launched. These developments were made to provide a friction-free customer experience as well as improve operational efficiency. Changi Airport has always had a special relationship with local residents, providing them with many reasons to visit even when they are not catching a flight. To provide them with more reasons to spend time at Changi, Terminal 3 Basement 2 (T3 B2) underwent a series of upgrades, introducing a new event space and indoor garden. Created as the focal point of T3 B2, this community space features a spacious stepped seating area that can host a multitude of events and activities.

In the airside of Terminal 4 (T4), we unveiled Chandelier, Changi's new and largest play area. This one-of-a-kind immersive three-storey-high

rope structure is set to enthrall both adults and children alike.

Among the airport community, CAG embarked on a service blueprinting journey to improve the immigration experience at Changi Airport in partnership with the Immigration and Checkpoints Authority and Certis Aviation Security. Another new initiative was the ONE Changi Service Challenge where airport partners were invited to contribute ideas to enhance the Changi Experience in three areas: People (Care), Place (Home) and Work (Pride). These not only helped to improve our passengers' experience, but also helped to deepen the sense of belonging among airport workers.

To inculcate an ethos of sustainability among the airport community, CAG has formed a Sustainability Working Group that will work towards achieving United Nations Sustainable Development Goals that it has identified and prioritised. Additionally, Changi Airport has made a commitment to reduce carbon emissions intensity by 20% by FY2029/30.

UPGRADING INFRASTRUCTURE

Alongside the construction of Jewel, was the expansion works that were carried out concurrently at T1. The new meeters and greeters hall is fully integrated with Jewel and 35% bigger than before. It also features the Arrival Garden, a unique landscape experience, a first for the landside of Changi's terminals.

In addition to a new coach bay at T1 that has seen a 20% increase in capacity, there is now a new T1/Jewel Car Park over five basement levels. This is now the largest car park at Changi Airport, bringing the total number of car park spaces at the airport to more than 8,000.

In November 2018, Seletar Airport's new passenger terminal opened for operations. Spanning 10,000 square metres, the two-

storey terminal has a capacity of 700,000 passenger movements a year and is designed for both scheduled and non-scheduled flight services. The terminal includes the Seletar Business Aviation Centre, which has an exclusive check-in and lounge area where business aviation passengers can enjoy expeditious departure and arrival clearance.

BUILDING FOR THE FUTURE

The Changi East development project is making good progress, reaching major milestones during the year. The Master Building Consultants and Master Civil Consultants for Terminal 5 (T5) were appointed, while T5's concept design has been completed and has moved on to its schematic design phase.

As part of the Changi East development, Runway 3 has been strengthened and lengthened, from 2.75 kilometres to 4.0 kilometres, to handle larger passenger aircraft in future. Supporting infrastructure such as drainage systems and ancillary buildings, like Fire Station 3 and Airfield Lighting Control Centres, have also been completed.

CHANGI AIRPORTS INTERNATIONAL

Beyond our shores, CAI expanded its overseas portfolio. Together with its partners, CAI started new contracts to manage airports in Fukuoka and Chongqing and won a 25-year concession to operate and maintain Clark International Airport in Manila. These added to its airport portfolio which also includes airports in Brazil, India and Russia.

In Brazil, Tom Jobim International Airport (in which CAI has a majority stake) faced a challenging external environment and saw domestic passenger traffic decline 16% year-on-year. Overall, it managed 15 million passenger movements in 2018, while cargo revenue grew 59% year-on-year. CAI is working closely with the airport's

management team to develop and implement new programmes to improve the airport's performance.

In Russia, Sochi International Airport was named Best Regional Airport by Business Traveller Russia and at the CIS Awards 2018. Vladivostok International Airport was named Best Economic Project for Regional Development and won second place for Best International Airport (up to 4 mppa) for the second consecutive year at Russia's National Aviation Infrastructure Show 2019.

Mr Lim Liang Song, CAI's CEO since April 2011, stepped down from his position on 1 July 2019. We thank him for his leadership and contributions which have resulted in significant growth of CAI's airport investment, asset management and consultancy portfolios. Liang Song is succeeded by Mr Eugene Gan, who steps up from his previous role of Managing Director, Asset Management in CAI.

SUSTAINING FINANCIAL GROWTH

For FY2018/19, the Group recorded consolidated operating revenue of S\$3.0 billion, representing a growth of 16.8%. This was primarily due to strong passenger growth as well as the full year consolidation of operating results for Tom Jobim International Airport in Rio de Janeiro, Brazil - CAI increased its stake in the Brazilian airport, from 20.4% to 51.0%, in December 2017. Changi Airport's operating revenue increased by 8.1% to S\$2.6 billion, underpinned by strong passenger growth and higher airport concession revenue. Airport concession and rental income continued to grow strongly, increasing 5.9% to reach S\$1.3 billion.

On the cost front, total expenses grew 28.6% to S\$2.1 billion, largely due to the full year impact of the consolidation of the Brazilian airport investment, higher

operating costs with the opening of new facilities such as T4 and the Seletar passenger terminal and the imposition of a new regulatory contribution by CAAS.

To help airlines cope with the increase in aeronautical charges, a one-time rebate package for airlines was rolled out during the year. In addition, CAG continues to support its airline partners through multiple incentive and collaborative programmes under the Changi Airport Growth Initiative to incentivise airlines to pursue growth, drive traffic and enhance connectivity to Changi Airport.

Overall, the Group achieved earnings before interest, taxes, depreciation and amortisation (EBITDA) of S\$1.5 billion in FY2018/19, representing an improvement of 11.9% from the previous year. Net profit attributable to the shareholder was lower by 20.3% at S\$677 million primarily due to the consolidation of full year losses from Tom Jobim International Airport.

AN EMPLOYER OF CHOICE

As we grow and expand the business of CAG, we will need to be able to attract and retain the best talents. It is equally important that we continue to grow and equip our staff with the skills to excel in the fast-changing environment we work in. Recognising the need to promote innovation as part of our organisational culture, we have transformed office spaces in Changi Airport to provide a work environment which facilitates collaboration and the exchange of ideas, whether between colleagues or with external parties.

Our efforts have not gone unnoticed with recognition such as the Randstad Most Attractive Employer 2018, and Excellence in Workplace Culture 2018 awards. This has been made possible only because of the commitment, diligence and teamwork of the

management and staff of CAG.

As we look back over the past 10 years, it has been a decade of transformation, not just for CAG but for Changi Airport as well. We must now look forward and continue to pursue the dreams that will help us to grow and reach new heights.

We would like to take the opportunity to thank our Board Directors for their strong stewardship and valuable insights throughout the course of the year. Our heartfelt appreciation goes to Mr Miguel Ko, who stepped down from the Board in August 2018, for his contributions. We also welcome new Directors, BG Kelvin Fan and Mr Chia Song Hwee, who joined in August and October 2018 respectively.

We are confident that, together, the Board will continue to guide CAG in charting the next chapters of its exciting journey ahead.



LIEW Mun Leong
Chairman



LEE Seow Hiang
Chief Executive Officer

Board of Directors

1



2



3



4



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1. **Liew Mun Leong**
2. **Lee Seow Hiang**
3. **Tan Ching Yee**
4. Michael George William **Barclay**

5. Eric **Ang Teik Lim**
6. Danny **Teoh Leong Kay**
7. Richard R. **Magnus**
8. Professor **Tan Kong Yam**

9. **Tan Gee Paw**
10. **Lim Zhi Jian**
11. **Ng Chee Khern**
12. Kelvin **Fan**
13. **Chia Song Hwee**

Liew Mun Leong

Chairman

Mr Liew is the Chairman of CAG. He was appointed to the Board on 16 June 2009.

Mr Liew was the founding Group President and CEO of CapitaLand Limited. He is currently the Chairman of Surbana Jurong Private Limited. Mr Liew sits on the boards of Singapore Exchange, Singapore-China Foundation Ltd and the Chinese Development Assistance Council. He also chairs the Board of Temasek Foundation Nurtures CLG Ltd, the Management Advisory Board of NUS Business School and the NUS School of Continuing and Lifelong Education (SCALE) Industry Advisory Board. He is a Senior International Advisor of Temasek.

Mr Liew is the Provost's Chair Professor (Practice) (on pro bono) at NUS Business School, NUS Faculty of Engineering and the Lee Kuan Yew School of Public Policy. He is also the Rector of NUS Ridge View Residential College.

He was elected the President of International Organisation for Standardisation (ISO) for the term 1997 to 1998.

With over 47 years of experience in the construction and real estate industries both locally and overseas, Mr Liew has been involved in several Singapore's public sector projects, including the development of Changi Airport from the beginning in 1975. For his exceptional contributions, Mr Liew was awarded the Meritorious Service Medal by the President of Singapore in 2011. In 2016, Mr Liew was conferred France's National Order of the Legion of Honour (Ordre national de la Légion d'honneur), with the rank of Knight.

Mr Liew graduated from the University of Singapore with a degree in Civil Engineering and is a registered professional civil engineer. He has published five books, titled *Building People: Sunday Emails from a CEO, Volumes 1–3, Building People Volume 4: Sunday Emails From a Chairman and Sunday Em@ils from a Chairman, Volume 5*.

Lee Seow Hiang

Chief Executive Officer

Mr Lee is the CEO of CAG. He was appointed to the Board as Executive Director on 16 June 2009.

Mr Lee is concurrently, amongst others, Deputy Chairman of Changi Airports International Pte Ltd, Director of Jewel Changi Airport Holding Pte Ltd and Chairman of Changi Foundation Board. He holds the appointment of President of Airports Council International (ACI) Asia-Pacific Regional Board and a Member on the ACI World Governing Board. He also sits on the Board of NTUC FairPrice Co-operative Ltd and SMRT Corporation Ltd.

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 Minister Mentor Lee Kuan Yew in the Prime Minister's Office. Mr Lee was awarded the SAF (Overseas)/President's Scholarship in 1989 and 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.

Tan Ching Yee

Mrs Tan 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 Corporate Regulatory Authority, and a Board member of the National Research Foundation and the Lee Kuan Yew School of Public Policy.

She 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.

Michael George William Barclay

Mr Barclay is a Non-Executive Director of CAG. He was appointed to the Board on 16 June 2009.

Mr Barclay is the Group CEO of Mandai Park Holdings (MPH). He oversees both Mandai Park Development, the entity set up to

drive the rejuvenation of Mandai into an integrated wildlife and nature precinct, and Wildlife Reserves Singapore, the operator of four award-winning attractions – Jurong Bird Park, Night Safari, River Safari and Singapore Zoo.

Prior to joining MPH, Mr Barclay was CEO of Sentosa Development Corporation for seven years. This followed on from stints as Regional Vice President Asia for the International Air Transport Association and Chief Executive of SilkAir. Mr Barclay began his career with Singapore Airlines, holding various portfolios in Singapore, Germany, Switzerland, Belgium and the UK.

Mr Barclay has a Master of Science degree in Transport Planning & Engineering from the University of Leeds and he completed the Advanced Management Program at Harvard Business School.

Eric Ang Teik Lim

Mr Ang is a Non-Executive Director of CAG. He was appointed to the Board on 18 November 2009.

Mr Ang is a DBS banker with 41 years of banking experience and until 31 May 2014, was responsible for the capital markets business. He is now a Senior Executive Advisor at DBS Bank and is principally responsible for business origination and high-level relationship building for the bank.

His current directorships include Sembcorp Marine Ltd, Raffles Medical Group, Surbana Jurong Pte Ltd, DBS Foundation Ltd and NetLink NBN Management Pte Ltd. He is also the Co-Chairman of the SGX Disciplinary Committee. He was previously a director of Hwang Capital (Malaysia) Bhd.

Mr Ang graduated from the University of Singapore with a Bachelor of Business Administration (Honours) degree.

Danny Teoh Leong Kay

Mr Teoh is a Non-Executive Director of CAG. He was appointed to the Board on 23 July 2010.

Mr Teoh is currently Chairman of M1 Ltd and a Board Member of, amongst others, the following companies: DBS Ltd, DBS Group Holdings Ltd, DBS Foundation Ltd and Keppel Corporation Ltd.

Mr Teoh was Managing Partner of KPMG in Singapore until his retirement on 30 September 2010. During this time, he served as a member of KPMG's Asia-Pacific Board and the KPMG International Council and Board. He also held various other positions at KPMG, including Head of Audit & Risk Advisory Services (Singapore), Head of Risk Advisory Services (Asia-Pacific) and Head of Financial Services (Singapore).

Mr Teoh qualified as a Chartered Accountant in the UK in 1981 and is a member of the Institute of Chartered Accountants of England and Wales. He also serves as the Chairman of the CAG Audit Committee and is a member of the CAG Board Risk Committee.

Richard R. Magnus

Mr Magnus is a Non-Executive Director of CAG. He was appointed to the Board on 23 July 2010.

Mr Magnus has several public and private sector responsibilities. Amongst others, Mr Magnus is currently Chairman of the Public Transport Council, Political Films Advisory Committee, Bioethics

Advisory Committee, and is a Member of the Public Service Commission and the Ministry of Home Affairs Resource Panel. In the private sector, Mr Magnus serves on the board of Singapore Consortium Investment Management Limited and is Chairman of Temasek Foundation Cares CLG Ltd and Human Capital (Singapore) Pte Ltd. He was the Founding Chairman of the Casino Regulatory Authority. He is also Singapore's First Representative to the ASEAN Inter-Governmental Commission on Human Rights, Vice-Chairman of UNESCO's International Bioethics Committee. He is also a Justice of the Peace.

Mr Magnus is a retired (now termed Chief) District Judge. He was awarded the Meritorious Service Medal in 2009 for his exceptional public service, an Outstanding Volunteer award in 2014 by the Ministry of Social and Family Development, and the Public Service Star by the State in 2015.

Mr Magnus graduated from National University of Singapore with a Masters of Laws. He is also an alumnus of the Harvard Business School and the John F Kennedy School of Government.

Professor Tan Kong Yam

Professor Tan 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 and Co-Director of the Asia Competitiveness Institute at the Lee Kuan Yew School of Public Policy at the National University of Singapore. He is also Deputy Chairman of APS Asset Management (China) and sits on the boards of Surbana-Jurong

and CapitaRetail China Trust Management.

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.

Tan Gee Paw

Mr Tan is a Non-Executive Director of CAG. He was appointed to the Board on 1 May 2017.

Mr Tan previously served as Chairman of the Public Utilities Board (PUB), Singapore's national water agency from 1 April 2001 until his retirement on 31 March 2017. Mr Tan is a member of a number of government committees. He is the Adjunct Professor at the Lee Kuan Yew School of Public Policy, National

University of Singapore (NUS). Previous appointments held by Mr Tan were Principal of Ngee Ann Polytechnic, and Permanent Secretary of the then Ministry of the Environment. He is currently a member of CAG's Executive Committee on Airport Development and a Director of Surbana Jurong Private Limited.

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.

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 NUS; and the NUS Society Distinguished and Outstanding Member Award by the NUS in 2014. 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 is the Special Advisor to Chairman, PUB, as well as the Special Advisor to Land Transport Authority (LTA), and a member of the Centre for Liveable Cities (CLC) Panel of Distinguished Advisors.

Lim Zhi Jian

Mr Lim is the Alternate Director to Mrs Tan Ching Yee. He was appointed to the Board on 1 May 2017.

He is Director (Reserves and Investment) at the Ministry of Finance. Prior to joining the Ministry of Finance in June 2016, he held various appointments in the Ministry of Manpower and the Monetary Authority of Singapore. At the Ministry of Manpower, he was the Deputy Director of the Foreign Workforce Policy Department. At the Monetary Authority of Singapore, he held the positions of the Deputy Director of the Strategic Planning Office and Senior Policy Analyst of the Prudential Policy Department.

Mr Lim was awarded the Overseas Scholarship by the Monetary Authority of Singapore and graduated from Carnegie Mellon University with a double major in Computer Engineering and Economics. He also holds a Masters in International Policy from Stanford University and a Master in Public Administration Edward S. Mason Program (Mason Program) from the Harvard Kennedy School.

Ng Chee Khern

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

Mr Ng is Permanent Secretary for Smart Nation and Digital Government in the Prime Minister's Office. He leads the Smart Nation and Digital Government Group, which was formed in May 2017. He is also the Chairman of the Government Technology Agency of Singapore (GovTech) board, a Director of the boards of CapitaLand Mall Trust Management and a board member of the National Research Foundation (NRF).

Mr Ng previously held the following positions: Permanent Secretary (Defence Development) in Singapore's Ministry of Defence, 2nd Permanent Secretary in Singapore's Ministry of Health from August 2014 to February 2016, Director of the Security and Intelligence Division from 2010 to 2014, and Chief of the Republic of Singapore Air Force from 2006 to 2009. Mr Ng was also a board member of the Civil Aviation Authority of Singapore.

Mr Ng was a recipient of the President's Scholarship and Singapore Armed Forces Overseas Scholarship. He holds a Bachelor of Arts (Second Upper Class Honours) and a Master of Arts in Philosophy, Politics and Economics from the University of Oxford. He also graduated with a Master of Public Administration from Harvard University.

Kelvin Fan

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

BG Fan assumed the appointment of Commander, Air Defence and Operations Command on 23 May 2019.

BG Fan joined the Singapore Armed Forces (SAF) in 1998. He started his career in the Republic of Singapore Air Force (RSAF) as an Air Warfare Officer, serving various command roles in Ground Based Air Defence units. Prior to his current appointment, BG Fan served as Head Air Operations in the RSAF, Director (Policy) in the Ministry of Defence where he was responsible for Singapore's deterrence and defence diplomacy efforts, as well as Head Air Plans, the principal staff assigned by the Chief of Air Force to oversee capability development and force transformation for the RSAF.

BG Fan is also a member of the Singapore Administrative Service. Between 2007 and 2009, he served as Senior Assistant Director in the Ministry of Trade and Industry, where he was responsible for developing tourism policies.

In 1998, BG Fan was awarded the SAF Overseas Scholarship. He graduated with a Master of Economics from Cambridge University, UK, and a Master of International and Developmental Economics from Yale University, USA. BG Fan was also a 2010 graduate of the US Air Force Command and Staff College in Maxwell Air Force Base, USA. In 2013, BG Fan was awarded the SAF Post-Graduate Scholarship as well as the Lee Kuan Yew Post-Graduate Scholarship. He graduated with a Master of Business Administration from the Sloan School of Management, Massachusetts Institute of Technology in 2014. In 2015, BG Fan was awarded the Public Service Administration (Military) (Silver).

Chia Song Hwee

Mr Chia Song Hwee is a Non-Executive Director of CAG and was

appointed to the Board on 1 October 2018.

Mr Chia is the President & Chief Operating Officer of Temasek International Pte Ltd (Temasek).

Mr Chia is also a member of Singapore's Advisory Council on the Ethical Use of AI and Data, as established by the Infocomm Media Development Authority.

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 & CEO of Chartered from June 2002 to December 2009. Mr Chia also held a number of management positions since he joined Chartered in 1996, including Senior Vice President, Chief Financial Officer, and Chief Administrative Officer.

Prior to his tenure at Chartered, Mr Chia was from the Schlumberger group, a global oilfield services group, where he was Regional Controller for Asia, Australia and Middle East for the drilling group.

Mr Chia graduated with a Bachelor of Business (Accountancy) 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 (ACE) Award for Executive of the Year in 2007.

Executive Management Team

LEE Seow Hiang
Chief Executive Officer



TAN Lye Teck
Executive Vice President,
Airport Management



YAM Kum Weng
◆ Executive Vice President,
Airport Development
◆ Advisor, Air Hub
Development



LIM Peck Hoon
Executive Vice President,
Commercial



NG Lai Leng
◆ Chief Financial Officer
◆ Executive Vice
President, Corporate
◆ Executive Vice
President, Enterprise
Performance &
Development



LIM Liang Song*
Chief Executive Officer,
Changi Airports
International

Eugene Gan*
Managing Director,
Asset Management,
Changi Airports
International



* Mr Lim Liang Song stepped down as Chief Executive Officer, Changi Airports International on 30 June 2019.
Mr Eugene Gan was appointed Chief Executive Officer, Changi Airports International on 1 July 2019.

Management Team

CHANGI AIRPORT GROUP

ANG Siew Min

Senior Vice President,
Development Operations

CHOY Da Wen

Group Senior Vice President,
Transformation & Enterprise
Development

CHUNG Choon San

Project Director,
Changi East Construction

GOH Hwai Kar

Senior Vice President,
People Services & Rewards

Jayson GOH

Managing Director,
Airport Operations Management

HUNG Jean

Chief Executive Officer,
Jewel Changi Airport Development

KOH Miaw Ling

Senior Vice President,
Terminal 5 Building

KOH Ming Sue

Managing Director,
Engineering & Development

LECK Siew Leng

Senior Vice President, Internal Audit

Alvin LEE

Chief, Airport Emergency Service

Audrey LEE

Group Senior Vice President,
Regulatory & Economic Affairs

Jacqueline LEE

Senior Vice President,
Changi East Programme
Management Office

Steve LEE

Chief Information Officer /
Group Senior Vice President,
Technology

LEONG How Yin

Project Director,
Changi East Planning,
Design & Construction

LEONG Kok Hoong

Senior Vice President,
Development Contracts &
Cost Control

Albert LIM

Senior Vice President,
Passenger Experience

LIM Ching Kiat

Managing Director,
Air Hub Development

LIM Wee Ping

Senior Vice President,
Business Development

LING Ming Koon

Senior Vice President,
Airport Operations Planning & Strategy

Jeffrey LOKE

Senior Vice President,
Pricing & Commercial Strategy

Jessie LOONG

Senior Vice President,
Legal & Compliance /
Company Secretary

Matthew NGAN

Senior Vice President,
Mechanical & Electrical

ONG Chee Chiau

Group Senior Vice President,
Changi East Terminal 5 Planning

ONG Sim Lian

Group Senior Vice President,
Design Management

Leslie PAKIANATHAN

Project Director,
Tunnel Construction Management

TAN Boon Seng

Project Director, Project Control

Ivan TAN

Group Senior Vice President,
Corporate & Marketing
Communications

Justina TAN

Managing Director, People

TAN Kok Siong

Project Director,
Changi East Construction

TENG Hwee Onn

Senior Vice President,
Engineering Management & Systems
Planning

TEO Chew Hoon

Group Senior Vice President,
Airside Concessions

WEN Dazhi

Senior Vice President,
Tunnel Design Management

Ivy WONG

Senior Vice President,
Strategy & Transformation

YEO Kia Thye

Managing Director,
Airport Operations Planning & Airside

CHANGI AIRPORTS INTERNATIONAL

CHAN Mew Yoong

Director & Head,
Human Resources

Mabel KWAN Wei Yee

Managing Director,
Changi Airport Consultants &
Investments

Peter LEE Chung Shek

Managing Director,
Changi Airport Planners &
Engineers

LOW Beng Lan

Chief Financial Officer

OON Wei Ying

Director,
Risk Management

SEE Ngee Muoy

Managing Director,
Legal & Compliance

Awards

ACCOLADES RECEIVED BY CHANGI AIRPORT (FY2018/19)



2019

Month	Category of Awards	No of Times	Publication/Organisation
Mar	World's Best Airport	10	Skytrax
	Best Airport by Size (over 40 million passengers) 2018	5	Airports Council International
	Best Airport by Region (Asia-Pacific) 2018	3	Airports Council International
Feb	Best Airport in the World	14	DestinAsian
	Deficiency - Free 2018	38	International Federation of Air Line Pilots' Association (IFALPA)
Jan	Top Worldwide Airport	17	Wanderlust

2018

Month	Category of Awards	No of Times	Publication/Organisation
Dec	Best Overall Airport	4	Global Traveler
	World's Leading Airport	13	World Travel Awards
	Favourite Airport	8	Conde Nast Traveller India
	Best Airport in the World	12	Ultratravel
	Best Airport in the World	14	Business Traveller China
	Best International Airport	7	Travel + Leisure India and South Asia
Oct	Best Overseas Airport	14	Selling Travel
	Airport of The Year	1	Air Convention
	Best Airport - Asia Pacific	2	Travel Weekly Asia
	Best Airport in the World	31	Business Traveller UK
	Top Airport in the World	10	Conde Nast Traveler US
Sep	Best Airport in the World	25	Business Traveler US
	Travel Hall of Fame - Best Airport of The Year	16	TTG Asia
	Best International Airport of the Year	9	Travel Weekly China
Aug	Best International Airport	1	Travel + Leisure Southeast Asia
	Best Airport in the World	26	Business Traveller Asia Pacific
	Best Airport in Asia Pacific	9	Business Traveller Asia Pacific
Jul	Best Airport in Asia Pacific	1	Travel + Leisure Southeast Asia
Jun	Asia's Leading Airport	15	World Travel Awards
	Top International Airport	6	Travel + Leisure US
	Favourite Airport	1	KAYAK
	Best Airport Worldwide	25	Business Traveller Germany
	No.1 Airport Worldwide	10	Smart Travel Asia
May	Best Family-Friendly International Airport	1	Whereverfamily.com
	Preferred Airport	1	International Traveller
Apr	Airport Authority with the Most Supportive Approach to Travel Retail	18	Duty Free News International & Travel Retailer International
	Best Airport in the World	15	Business Traveller Middle East
	World's Best Airport	1	eDreams

Financial Review

Financial Highlights

	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19
Profit & Loss (S\$'mil)					
Total revenue	2,150	2,164	2,305	2,602	3,040
Total expenses	1,255	1,284	1,401	1,649	2,120
EBITDA	1,171	1,167	1,208	1,310	1,466
Profit after tax	782	784	657	835	574
Profit attributable to equity holder of the Company	784	786	662	849	677
Financial Position (S\$'mil)					
Assets	7,564	8,460	9,260	14,894	15,108
Liabilities	1,441	1,874	2,223	6,457	6,647
Equity	6,123	6,586	7,037	8,437	8,461
Equity attributable to equity holder of the Company	6,127	6,594	7,044	7,600	7,839
Financial Ratios					
EBITDA margin	54.5%	53.9%	52.4%	50.3%	48.2%
NPAT margin	36.4%	36.2%	28.5%	32.1%	18.9%
Return on equity	13.2%	12.3%	9.6%	11.6%	8.8%



THE YEAR IN REVIEW

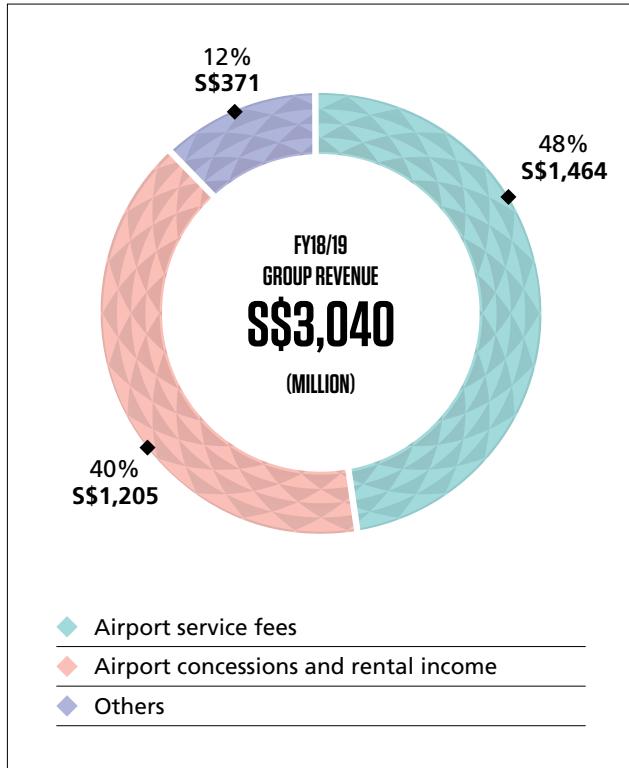
Changi Airport continued to register strong growth in passenger movements of 5.2% in FY2018/19 to reach 66.3 million passenger movements, placing Changi as the seventh busiest airport in the world for international passenger traffic. Indonesia continued to rank as Changi Airport's largest country market, followed by China, Malaysia, Australia and Thailand. Together, these five countries accounted for more than half of Changi Airport's total passenger traffic.

In FY2018/19, the Group recorded consolidated operating revenue of S\$3.0 billion, representing a growth of 16.8%. The rise in operating revenue was underpinned by growth in Changi Airport's operating revenue coupled with the full year impact of the consolidation of the operating results for Tom Jobim International Airport in Brazil. In December 2017, CAI, a wholly-owned subsidiary of CAG, increased its effective stake in Tom Jobim Airport from 20.4% to 51.0%. The operating results of Tom Jobim Airport was consolidated from the fourth quarter of the last financial year.

On the cost front, total expenses increased by 28.6% to S\$2.1 billion, largely due to the full year consolidation of Tom Jobim Airport, higher operating costs with the opening of new facilities such as T4 and Seletar passenger terminal, and the imposition of a new regulatory contribution by CAAS.

Overall, the Group achieved earnings before interest, taxes, depreciation and amortisation (EBITDA) of S\$1.5 billion in FY2018/19, representing an improvement of 11.9% (or S\$156 million) from the previous year. Net profit attributable to the shareholder (Net Profit) was lower by 20.3% (or S\$172 million) at S\$677 million primarily due to increased losses from Tom Jobim Airport, absence of a valuation gain which arose last year from the step-up acquisition of Tom Jobim Airport of S\$98 million, and the new regulatory contribution this year amounting to S\$85 million, in addition to higher depreciation expenses with the opening of new terminal facilities.

GROUP OPERATING REVENUE



The Group's operating revenue grew 16.8% to S\$3.0 billion, of which 87.0% comprised revenue from Changi Airport and 11.6% from Tom Jobim Airport.

Changi Airport operating revenue

Operating revenue from Changi Airport increased by 8.1% compared to last year, underpinned by strong passenger growth and higher airport concession revenue. Revenue from airport services (which comprised landing, parking and aerobridge charges as well as passenger service and security fees) increased by 10.4% to S\$1.1 billion due to strong passenger traffic and higher airport charges for both passengers and airlines. T4's successful opening last year has brought about a much-needed capacity boost, serving approximately nine million passengers during the year.

CAG continued to support its airline partners through multiple incentive and collaborative programmes under the Changi Airport Growth Initiative (CAGi) to incentivise airlines to pursue growth, drive traffic

and enhance connectivity to Changi Airport. Rebates were also given to airlines to help offset increases in aeronautical charges.

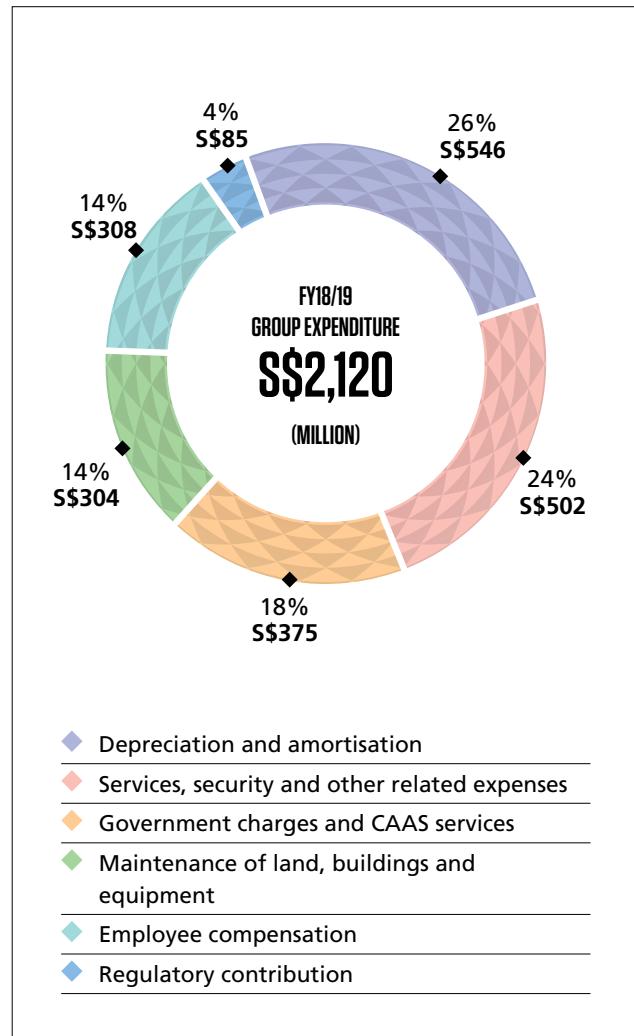
Airport concession and rental income continued to grow strongly, increasing by 5.9% to reach S\$1.3 billion. Concession sales by our tenants grew by 8.1% year-on-year to a record of more than S\$2.8 billion. Through intensive marketing and promotions, as well as continual refreshment and revamp of our retail spaces, CAG successfully helped its tenants grow sales.

The iShopChangi website was revamped with improved features, a more contemporary design and more lifestyle content. Its product variety also expanded by 50% to more than 20,000 product variations. Through iShopChangi, tenants can reach passengers beyond the terminals, offering time-pressed passengers the convenience and comfort of shopping before they step into Changi. Loyal shoppers can also accumulate Changi Rewards points for instant dollar redemptions on their next purchases. During the year, the Changi Rewards membership base surpassed 1 million members. CAG's anchor retail campaigns, Be a Changi Millionaire and the annual year-end promotions were also well received and helped to drive concession sales. The strong performance from the non-aeronautical segment enables CAG to subsidise and keep aeronautical charges at Changi Airport competitive.

GROUP OPERATING EXPENSES

The Group's operating expenses (excluding depreciation and amortisation) increased by 21.9% to S\$1.6 billion in FY2018/19. The increase was largely due to additional operating expenses from the full year consolidation of Tom Jobim Airport, introduction of the new regulatory contribution by CAAS and the full year impact of T4 operating expenses.

Depreciation and amortisation expenses, which formed the largest component of the Group's operating expenses, increased by 52.8% to S\$546 million due to the opening of new infrastructure facilities in Changi Airport and the full-year consolidation of Tom Jobim Airport.



Changi Airport operating expenses

Changi's operating expenses (excluding depreciation and amortisation) increased by 16.0% in FY2018/19. The increase was largely attributed to the new regulatory contribution, higher operating costs from the full year impact of T4, and the operationalisation of other new facilities such as the new Seletar Airport passenger terminal and the expanded T1.

As CAG continued to invest in capacity building, additional manpower and expenses were incurred to support multiple development projects. To moderate cost increases, CAG continued to drive innovation, leveraging technology to improve security, safety and efficiency of airport operations.

FINANCIAL POSITION

Shareholder's equity increased by 3.1% to reach S\$7.8 billion, with a strong asset base of S\$15.1 billion. The growth in the Group's total equity was attributed to profits generated by the Group of S\$677 million during the year, offset by the payment of dividends and a reduction in the carrying value of Tom Jobim Airport due to devaluation of the Brazilian Reals vis-à-vis the Singapore dollar.

The Group's strong financial position strengthens its ability to invest in capital expenditure to upkeep and enhance the airport facilities, as well as to fund significant development projects. Property, plant and equipment and investment property amounted to S\$7.7 billion, which accounted for 51.3% of total assets. During the year, the Group invested close to S\$1.5 billion for the upkeep of airport facilities as well as for capacity enhancement such as T1's expansion, Jewel, the three-runway system and the ongoing Changi East development.

Intangible assets of S\$4.6 billion arose from the consolidation of Tom Jobim Airport and comprised

largely the unamortised cost of the Group's concession right to operate and manage Tom Jobim Airport for a period of 25 years, starting from 2014. Correspondingly, the Group recorded concession payable amounting to S\$3.1 billion which represents the obligations that Tom Jobim Airport has to pay for the right to operate it.

Cash and cash equivalents amounted to S\$1.8 billion. The surplus cash has been earmarked for the funding of on-going development projects.

An interim sinking fund was created in FY2016/17 to set aside funding for the Changi East development project. During the year, S\$96 million was channeled into the sinking fund reserve from the Group's retained earnings, bringing the cumulative sinking fund reserve to S\$506 million.

The Group's total loan and borrowings of S\$1.7 billion comprised largely bank loans used to support the construction of Jewel Changi Airport (S\$953 million) and loans undertaken by Tom Jobim Airport to fund its concession payments obligations (S\$472 million).

Corporate Governance

The Board and Management of CAG are deeply committed to our Company's core value – integrity – which is at the heart of all we do. We strive to meet and maintain the highest standards of corporate governance, professionalism and integrity, to build a company which 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, CAG strongly believes in being accountable to its immediate business and regulatory environment, as well as to the global community.

CAG's Code of Conduct sets out the principles, policies and standards of conduct that it expects of all employees in their day-to-day activities and in the decisions they make. The Company has recently enhanced its whistle-blowing policy to detect and deter unethical or illegal conduct, and to protect whistle-blowers from retaliation.

THE BOARD OF DIRECTORS

1. CAG'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 Group, while protecting the interests of stakeholders.

Composition and Balance

2. Headed by Non-Executive Chairman, Mr Liew Mun Leong, the Board comprises 12 Directors. 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:

Mr Liew Mun Leong - Chairman
Mr Lee Seow Hiang - CEO
Mrs Tan Ching Yee - Shareholder Representative
Mr Michael George William Barclay
Mr Eric Ang Teik Lim
Mr Danny Teoh Leong Kay
Mr Richard R. Magnus
Professor Tan Kong Yam
Mr Tan Gee Paw
Mr Ng Chee Khern
Mr Chia Song Hwhee
Mr Kelvin Fan
Mr Lim Zhi Jian
(Alternate Director to Mrs Tan Ching Yee)

The profiles of the Directors can be found on pages 20 to 25 in this annual report. Changi Airports International Pte Ltd (CAI), a wholly-owned subsidiary of CAG, 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 CAG's businesses and implementation of the Group's strategies and policies.
5. Nine committees have been formed to assist the Board in the 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 Development Committee (TDC). Each committee is governed by its own terms of reference, which sets 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.

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 members of the EXCO are:

Mr Liew Mun Leong - Chairman
Mrs Tan Ching Yee

Mr Eric Ang Teik Lim
Mr Richard R. Magnus
Mr Lee Seow Hiang

2. The EXCO reviews and recommends to the Board financing and investment strategies of the CAG 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 issuance, opening of bank accounts as well as hedging policies. The EXCO also sets the financial limits for operations, procurement and treasury of the Company.
3. The Company expects to take on significant debt in the coming years to finance the development of Changi East and T5. In light of this, the CMC was established at the end of 2018 to provide specific oversight in the area of capital management.
4. The CMC comprises five Directors:

Mr Eric Ang Teik Lim - Chairman
Mr Danny Teoh Leong Kay
Mr Lim Zhi Jian
Mr Chia Song Hwee
Mr Lee Seow Hiang

5. The role of the CMC is to review and recommend to the CAG Board or EXCO the financing strategies and plans of CAG (debt capital market issuances and bank facilities) as well as to guide and advise Management on the financing execution strategy.

EXECUTIVE RESOURCE AND COMPENSATION

1. The ERCC comprises the following non-executive Directors:

Mr Liew Mun Leong - Chairman
Mr Eric Ang Teik Lim
Mr Chia Song Hwee

2. The ERCC supports and advises the Board on remuneration matters, leadership succession and development. The roles of the ERCC include:

- a. reviewing and approving the policy for determining executive remuneration, including the remuneration packages, service contract terms and benefits programme for key management executives;
- b. 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

- c. recommending the remuneration framework, including Directors' 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 non-executive Directors:

Mr Danny Teoh Leong Kay - Chairman
Mrs Tan Ching Yee
Mr Eric Ang Teik Lim

3. The primary role of the AC is to assist the Board to review the adequacy of the Company's internal control systems in ensuring that the financial records have been properly maintained and its financial statements give a true and fair view of the Company's performance and position. In addition, the AC is also responsible for reviewing the effectiveness of financial, compliance and risk management frameworks, as well as the robustness of the reporting processes. The AC also reviews the adequacy of mechanisms put in place for the Company's employees, partners, suppliers and contractors to raise concerns in confidence, as well as the procedures for independent investigation, follow-up and resolution of the matters reported.
4. 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.

5. 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 also reviews the internal audit reports to verify the effectiveness and timeliness of actions

- taken by Management on the internal auditors' recommendations and observations.
6. 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 Indicator 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.
 7. 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.
 8. The AC also serves as the governing body to provide oversight on the effective implementation of CAG's anti-bribery management system.

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, and financial and strategic (business) risk management to the AC, which ensures 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 system put in place by Management.
2. The internal controls established by the Company are supported by systems, processes and people. CAG's three lines of defence of risk management are as follows:
 - ◆ the first line of defence is the business units who are responsible for identifying and managing risks inherent in their businesses;
 - ◆ the second line of defence comprises the oversight and control functions such as

- Enterprise Risk Management (ERM), Legal and Compliance, Aerodrome Safety, Aviation Security, Information Security, and Enterprise Performance; and
- ◆ the third line of defence is IA, which provides an independent assessment and assurance on the reliability, adequacy and effectiveness of CAG's system of internal controls, risk management procedures, governance framework and processes.
3. The Company's internal and external auditors review CAG's key internal controls for material non-compliance or failures in internal controls and recommend areas of improvements. The AC also 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.
 5. Over the past year, as part of the implementation of CAG's anti-bribery management system, all employees have undergone anti-bribery training, and divisions have performed bribery risk assessments, identified and put in place appropriate mitigating measures.
 6. A separate TC evaluates and approves the award of tenders for goods and services exceeding S\$50 million in value, with the exception of those related to new development projects and major redevelopment projects at Changi Airport, which come under the purview of the ECAD. The TC is chaired by a non-executive Director and comprises the following Directors:
- Mr Michael George William Barclay - Chairman
Mr Richard R. Magnus
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 its audit work, focusing on key internal controls, including financial, operational and compliance controls. 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 adopting more continuous auditing going forward.
9. Audits are carried out on all significant business units and processes in the Company. The annual audit plan is developed in consultation with, but is independent of, Management and is approved by the AC. IA's report on findings and recommendations are submitted to the AC and a summary of key findings and recommendations are 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 findings.

AIRPORT DEVELOPMENT

1. The ECAD currently comprises four Directors and six non-voting co-opted members, who provide additional advice and expertise in relation to the development projects.

The four Directors are:

Mr Liew Mun Leong - Chairman
 Mr Tan Gee Paw
 Mr Lim Zhi Jian
 Mr Lee Seow Hiang

The six co-opted members are:

Professor Lui Pao Chuen
 Ms Patricia Chia
 Mr Chua Hua Meng
 Mr Goh Hup Chor
 Mr Lim Bok Ngam
 Mr Tham Kui Seng

2. The ECAD oversees new development and major redevelopment projects at Changi Airport. The roles of the ECAD include:

- a. 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

- b. reviewing and approving tenders for goods and services exceeding S\$50 million related to development projects at Changi Airport.

ENTERPRISE RISK MANAGEMENT

1. CAG manages a wide range of risks which includes operational and safety, regulatory, financial, and developmental projects risks. With increasing passenger numbers and the completion of T4, one of CAG's key challenges is to maintain safe, secure and efficient operations at Changi Airport.
2. There is clarity in risk ownership, roles and responsibilities at the Company's business units. Each key development project such as the Changi East Development has a dedicated risk team, whose role is to identify and aggregate the project's current and emerging risks which impact timelines, costs, quality and safety, and to regularly report the project's top risks and mitigation measures to the Company's Risk Committee (RC), through the ERM Division.

Risk Governance

3. Both the Board and Management are responsible for the management of risks in CAG. The Board, through the ORSC, provides oversight on operational and safety risks, while the review of the Company's financial and strategic risks are assisted by the AC.
4. The ORSC comprises two Directors and two co-opted members, who provide additional advice and expertise to the committee.
5. The two Directors are:

Mr Michael George William Barclay - Chairman
 Mr Richard R. Magnus

The two co-opted members are:

Mr Wong Woon Liong
 Mr Tan Kian Huay

6. Management leads the Company's efforts in developing and strengthening its risk management processes and framework through the RC, supported by the ERM division.
7. Reporting to the AC and ORSC, 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 provide directions to strengthen the implementation of ERM in the Company.

Risk Awareness Culture

7. At CAG, every employee and everyone working in the airport community is a valued manager of risks. Therefore, the RC, through the ERM Division, continues with its engagement efforts through inter-divisional risk workshops and meetings with risk owners.
8. The ERM Division also conducts regular courses on the fundamentals of risk identification, assessment, mitigation, review and reporting to divisional risk owners to institutionalise ERM and enhance the risk awareness culture.
9. The ERM Division adopts the key strategy of collaborating with divisions across the Company to address key risks. During the year, ERM has embarked on several projects, focusing on areas such as strengthening critical engineering systems reliability, enhancing resilience to cybersecurity attacks, promoting anti-bribery initiatives, and supporting CAG's comprehensive insurance programme.

NOMINATING COMMITTEE

1. Established at the end of 2018, the NC comprises four Directors, as follows:

Mr Liew Mun Leong - Chairman
Ms Tan Ching Yee
Mr Eric Ang Teik Lim
Mr Chia Song Hwee

2. The NC reviews the structure, size, composition, core competencies and skills required by CAG Board and its committees (Board Committees) to support the strategic objectives and values of CAG, and makes relevant recommendations to the Board.

TECHNOLOGY DEVELOPMENT COMMITTEE

1. The TDC comprises four Directors and one co-opted member who provides additional advice and expertise to the committee. They are:

Mr Ng Chee Khern - Chairman
Mr Chia Song Hwee
Mr Lim Zhi Jian
Mr Lee Seow Hiang
Prof Lui Pao Chuen - co-opted member

2. The TDC provides guidance to Management on innovations driven by technology, as well as the development of technological capabilities in support of CAG's transformation. It also reviews and recommends technology investments to the CAG Board and/or EXCO for approval.