



RETHINKING TRAVEL

ANNUAL REPORT 2013/14

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On Cover:

Passengers can take a breather from the hustle and bustle of travel to relax at the Enchanted Garden, the latest nature spot at Changi Airport.

RETHINKING TRAVEL

Travel has evolved to become an integral part of many people's lives, and the airport as a familiar touch-point of many travel journeys. In an era where demand for air travel continues to grow, and where competition in the dynamic aviation landscape is set only to intensify, the airport must progress beyond just being a mere interchange for aircraft.

Rethinking Travel tells the story of Changi Airport Group's (CAG) vision to redefine the concept of travel, and how it seeks to raise the bar for what an airport can be. Changi Airport, for passengers and visitors alike, is in itself a destination to discover, an adventure to enjoy. All that CAG does revolve around this thinking. Our efforts and innovations across multiple fronts – from growing the air hub, reinventing the airport experience, striving for retail innovation, to our major plans for new infrastructure – go towards achieving our ultimate vision of elevating the airport experience to an entirely different league.

Financial year 2013/14 saw many CAG initiatives that embodied the concept of Rethinking Travel. We continued to bring new exciting destinations to our passengers, with an expanding China network – Southeast Asia's largest – and connectivity to East Africa for the first time with the arrival of Ethiopian Airlines.

At Changi Airport, we continued our efforts to enhance passengers' experience, from the launch of major attractions including The Social Tree and Enchanted Garden, to new Fast and Seamless Travel options such as self check-in and self-boarding. Our commitment to provide an airport experience that is personalised, stress-free and positively surprising remained unflagging.

On the commercial front, CAG made its first foray into the world of e-commerce, together with the announcement of new retail concepts that will soon be introduced for two major concession categories.

The groundbreaking of Terminal 4 marked the beginning of construction of a new and exciting terminal that will feature design and process innovations to captivate and excite passengers, raise operational efficiency and manpower productivity. With Project Jewel – an iconic lifestyle destination coming up at the heart of the airport – CAG is anchoring Changi Airport's next phase of growth, while the Changi East development will secure the longer term success of the Singapore air hub.

These and other developments underscore CAG's constant philosophy of reinventing Changi Airport to ensure that it continues to inspire memories and ignite dreams, to cement its future for generations ahead.





BUILDING OUR DREAM

Changi Airport was built on a simple dream – to offer the best airport experience possible. Every corner of each terminal is the outcome of seeds that have come to fruition after decades of careful planning and painstaking execution. The philosophy has always been, *“How can we do better?”* Today, CAG continues to challenge itself with its development projects – Terminal 4, Project Jewel and Changi East – which provide opportunities to rethink the airport experience for its passengers of the future.







THE DOT THAT CONNECTS THE WORLD

Changi Airport may be the gateway to a little red dot, but its links cut across the world map. Operating a leading global air hub, CAG aspires to connect lives, bringing people from all over the world together with a dense network of city links. Having delivered a record-breaking year, Changi Airport has become the world's fifth busiest airport for international traffic – an achievement made possible only through the close-knit partnerships it shares with airlines.



SINGAPORE CHANGI AIRPORT

AN EXPERIENCE BEYOND IMAGINATION

From free Wi-Fi to refreshing gardens, from a rooftop swimming pool to movie theatres, there is much to see, do and enjoy at Changi Airport. As an airport, we aspire to be much more – beyond what you can imagine. Where travelling is fun, not stressful; energising, not draining. Where time flies by, rather than ticks on. And where our recipe of warmth, comfort and clockwork efficiency, with an extra dash of serendipity – makes for an unlikely wonderland.





THE SOCIAL TREE

A SHOPPER'S DELIGHT

With over 350 stores spanning 70,000 square metres, Changi Airport is nothing short of a retail paradise, a shopper's delight. In a dynamic market where consumer trends continually evolve and where shoppers are spoilt for choice, 'innovation' and 'transformation' are key words of CAG's vision. Together with our retail partners, we push boundaries to ignite game-changing ideas and refreshing concepts, to reach for the sky and elevate the retail experience at Changi.



f Singapore



MICHAEL KORS



HERMÈS





TOUCHING HEARTS, CHANGING LIVES

Our aspiration to touch the hearts of people goes beyond the passengers we serve. As a corporate citizen, CAG is committed to make a positive difference to the youths in its local community – to motivate, support, and extend a helping hand as they journey to adulthood. It is our goal to leave a meaningful imprint on the lives of those we have the opportunity to nurture, inspiring them to strive for even greater heights.







HUMAN CAPITAL FOR GROWTH

CAG is mindful that its most important asset to drive growth is its human capital. Hence, our strong focus on the investment and development of CAG's 1,500 employees, many of whom are new to the organisation. In each employee, we seek to embody the Changi spirit of service and innovation. Growing and building this talent pool, both in strength and quality, is a key priority to secure Changi Airport's future.

| MISSION, VISION, VALUES |

OUR MISSION

To be the **WORLD'S LEADING AIRPORT COMPANY**,
growing a vibrant air-hub in **SINGAPORE** and enhancing the
communities we serve **WORLDWIDE**.

OUR VISION

EXCEPTIONAL PEOPLE, CONNECTING LIVES

We aspire to build a company where ordinary people achieve extraordinary 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.

OUR VALUES

INTEGRITY

IS AT THE HEART OF EVERYTHING WE DO.

WE VALUE OUR PEOPLE

WE ARE COMMITTED TO OUR CUSTOMERS

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 – has successfully established Changi Airport as the world's most awarded airport. With more than 460 accolades under its belt, Changi has come a long way since its humble beginnings in 1981, when Terminal 1 first opened.

One of the world's busiest international airports today, Changi Airport is a major air hub in Asia. It handled more than 53 million passenger movements in FY13/14, serving about 100 airlines flying to more than 270 cities in over 60 countries and territories worldwide. With over 70,000 square metres of commercial space across its three 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 market potential 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, the Middle East, 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 |

Chairman
LIEW Mun Leong

CEO
LEE Seow Hiang



Across Changi Airport Group (CAG) today, several transformation projects are taking place, to deliver a Changi Airport for Singapore's future needs, serving passengers for the decades to come. But even as we work on this exciting future, we continue to build on the solid fundamentals that have made Changi Airport what it is today. We look back on a successful FY13/14, which brought us closer to realising our vision.



CHAIRMAN & CEO MESSAGE

A GOOD YEAR ON ALL FRONTS

During the year, CAG augmented Changi Airport's position as a leading air hub across several fronts. We delivered healthy growth for both passenger traffic and retail sales, achieving 53.9 million passenger movements and concession sales of over S\$2 billion respectively, both record highs. These results placed Changi as the world's fifth busiest airport in terms of international passenger traffic, and fourth in the world for concession sales. Against a volatile operating backdrop, we saw growth moderating towards the end of the financial year. Nevertheless, the overall performance reflects strong underlying strategies across our business clusters to capture growth opportunities, and the close-knit partnerships with our key stakeholders.

Underpinning Changi Airport's success is the airport community's steadfast commitment to service excellence. For FY13/14, we were heartened to receive a total of 34 Best Airport awards given by various aviation bodies and travel publications, including Skytrax's World's Best Airport award for the fifth year and the Business Traveller Best Airport award for the 26th consecutive year. We were also immensely honoured to be recognised as a leader in service excellence, with our achievement of a score of 85.5 in the 2013 Customer Satisfaction Index of Singapore – the index's highest score ever across all industry sectors. We are thankful for passengers' continued affirmation and support.

STEADY GROWTH AMID CHALLENGES

Despite a more challenging market environment, passenger traffic at Changi Airport in FY13/14 registered steady growth of 3.7% – as travel demand adjusted to more sustainable levels following the robust double-digit growth post the 2008/09 financial crisis. Changi benefitted from strong traffic growth within Asia Pacific, with traffic to our top two country markets – Indonesia and Malaysia – increasing by 11% and 10% respectively.

In FY13/14, we further expanded our connectivity to the world, with the arrival of five new passenger airlines, namely Ethiopian Airlines, Golden Myanmar Airlines, Lucky Air, Regent Airways and SWISS. Ethiopian Airlines' direct one-stop service to Addis Ababa connects Changi to East Africa for the first time. We also acquired a number of new links to emerging secondary cities across Asia, including eight cities in China, as well as Kalibo in the Philippines, and Mandalay in Myanmar.

Despite the positive growth drivers, overall passenger traffic during the year was dampened by the impact of tumultuous events in the region, including political unrest in Thailand,

Typhoon Haiyan in the Philippines, and volcanic eruptions in Indonesia.

On the cargo front, industry conditions in FY13/14 were fraught with challenges, as growth in major economies around the world continued to be weak. We managed to turn in a resilient performance with total airfreight handled by Changi Airport remaining stable at about 1.84 million tonnes. A key highlight for the year was the addition of Turkish Airlines as a new freighter airline operating a weekly service between Singapore and Istanbul, an additional freighter city link for Changi.

While it is not possible for CAG to counter the vagaries of the aviation market, we remain committed to supporting the development of our air hub, through various cost-relief and incentive schemes for our airline partners, as well as marketing programmes to promote travel to and through Singapore. In FY14/15, we have launched the Growth and Assistance Incentive (GAIN) programme, under which CAG is committing S\$100 million to fund various initiatives and measures aimed at lowering costs for airlines, boosting passenger traffic and improving operational efficiency at Changi Airport.

ENHANCING EFFICIENCY AND EXPERIENCE

A smooth and efficient journey is a prerequisite for a great airport experience. As passenger volumes at Changi Airport continue to grow amid a tightening labour market, we have been making a concerted effort, together with our airport partners, to streamline processes to increase operational efficiency. This will enable us to meet our dual-objective of raising productivity, while delivering a better passenger experience. To this end, CAG is implementing a suite of fast and seamless travel (FAST) initiatives which involve the automation of airport processes through technology.

Two FAST initiatives were launched during the year. The first was the phased implementation of self-boarding gates, which streamlines the boarding process. The initial phase was conducted in partnership with Lufthansa, with a full roll-out across all our terminals planned subsequently. In addition, we worked with Jetstar Asia to adopt the 'Straight-to-Gate' initiative, which allows its passengers without any visa requirements and check-in baggage to bypass check-in counters. Both initiatives have resulted in time savings for passengers, as well as savings on manpower resources otherwise needed by the airlines.

Besides efficient processes, it is important to us that passengers have a delightful experience when they are at Changi Airport. We take pains to ensure that their basic

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needs for comfort are met by constantly refreshing our essential facilities. For instance, we rolled out 880 universal charging stations airport-wide, and increased seating capacity at Terminal 3 (T3). Beyond these, we also make it a point to introduce unique facilities to entertain, engage, and create memorable experiences. Two new facilities – The Social Tree at Terminal 1 (T1) and Enchanted Garden at Terminal 2 (T2) – were launched during the year. Both have since joined the likes of Kinetic Rain and Butterfly Garden as key attractions at Changi.

TRANSFORMING OUR RETAIL LANDSCAPE

FY13/14 was a milestone for CAG’s retail business, which saw the successful completion of leasing exercises for two major concessions – Liquor & Tobacco and Perfumes & Cosmetics. Given the importance of these categories in shaping the retail landscape at Changi Airport, we aimed to transform our anchor offerings by seeking the best ideas from the market.

We encouraged retailers to push the boundaries and offer us their most innovative concepts. And we achieved exceptional outcomes, with high quality proposals received from the industry’s best players. The awarding of the bids to DFS Group and Shilla Travel marked the beginning of an exciting journey for Changi Airport. We are working closely with both partners to roll out their exciting new store concepts, which include stunning duplex stores, an unrivalled array of offerings, and unique interactive experiences.

Another significant development on the retail front was the launch of Changi Airport’s very own online shopping portal, iShopChangi.com, our maiden venture in e-commerce. The portal, which offers a good range of popular duty-free products, provides passengers the convenience of shopping in the comfort of their homes, and for our tenants an additional sales channel.

During the year, we continued to refresh Changi Airport’s retail mix, bringing in nearly 20 new brands to both the transit and public areas, including popular names like Uniqlo, Michael Kors, Tory Burch, Muji to Go, as well as F&B favourites such as Paris Baguette, Poulet and Twelve Cupcakes.

For FY13/14, we achieved 7.9% growth in concession sales, outperforming passenger traffic growth for the year. A substantial part of the profit from our non-aeronautical business goes into covering the costs of airport operations, allowing us to keep aeronautical charges low and maintain the competitiveness of the Changi air hub.

SECURING CHANGI’S FUTURE

In order to ensure Changi Airport’s continued success as the gateway to the region, it is imperative that we plan well ahead for our long-term infrastructure needs. Many divisions within CAG are now working on three major development projects that would secure Changi’s future – namely, Terminal 4 (T4), Project Jewel (including the expansion of T1) and Changi East.

In FY13/14, we commenced construction works for T4, marking a significant milestone in our history. While it replaces the former Budget Terminal, T4 will be very different. We have learnt from our experience serving the low-cost carriers segment that regardless of carrier type, passengers expect the same level of comfort and experience when it comes to airport facilities, and they want a good shopping experience as well.

Hence, we are designing T4 to be a full-service terminal with attractive design and ambience, complete with a good range of facilities as well as retail and dining offerings. It will handle both full-service and low-cost carriers, with Cathay

CHAIRMAN & CEO MESSAGE

Pacific Airways being the first airline identified to operate there when it opens. Another special feature about T4 is our extensive roll-out of FAST options from check-in to boarding, offering passengers a refined travel experience with reduced waiting times.

Another medium-term development project that will strengthen Changi's air hub position going forward is the redevelopment of the open-air car park fronting T1. As part of this project, T1 will be expanded to increase its handling capacity, by creating more space for the arrival hall, baggage claim areas and ground transport facilities, including a much larger car park and additional taxi bays. On top of these expansion works, we thought hard about how we could best optimise the development of this site – strategically located right in the heart of the airport – to maximise returns to the air hub. In the face of intensifying competition from other air hubs in the region, we recognised this as a valuable opportunity to create something extraordinary that would be a game-changer for Changi Airport and Singapore.

In December 2013, we entered into a joint venture agreement with CapitaMalls Asia to jointly develop and manage Project Jewel, a mixed-use complex to be built on the T1 car park site. We are very excited about this project's potential, and what it can do for Changi Airport.

We envisage Project Jewel to be a world-class lifestyle destination that will capture global tourism mindshare, and influence passengers to choose Changi as their preferred transit point. It will be an iconic landmark that Singaporeans can enjoy and be proud of. The detailed plans for this project are being finalised, with construction expected to begin by the end of 2014.

Due to the long gestation period involved in airport developments, our planning goes beyond this decade. As part of the Changi 2036 Steering Committee, an inter-government task force led by the Ministry of Transport, we are working on the planning for Changi East – a massive long-term development project covering Terminal 5 (T5), a three-runway system, as well as all supporting infrastructure. With T5, we are looking at a mega terminal that will be one of the largest in the world. When ready around the mid-2020s, it will have a handling capacity of 50 million passengers per annum – approximately equivalent to what Changi Airport is currently handling at its three existing terminals. Involving extensive coordination among multiple agencies, the Changi East project is a major undertaking of an unprecedented magnitude in Singapore's aviation history. With T4, the T1 expansion and T5, we will double Changi Airport's handling

capacity to 135 million passengers per annum by the middle of the next decade.

INTERNATIONAL BREAKTHROUGHS

Through our wholly-owned subsidiary Changi Airports International (CAI), we made several significant breakthroughs internationally during the year. We extended our global footprint into South America, continued to value-add to our investments in Russia and India, and delivered results for our consultancy projects around the world.

In a landmark development, CAI, together with its Brazilian partner, Odebrecht TransPort, won the concession to manage Rio de Janeiro's Antonio Carlos Jobim International Airport – the second largest airport in Brazil. When fully invested, this would represent CAI's largest investment to date.

We were also particularly pleased to see the exceptional outcomes of CAI's work at Sochi Airport in Russia. In the lead-up to the Sochi Winter Olympics in February 2014, a number of major projects were undertaken including the upgrading of airport infrastructure to cope with the expected increase in traffic, as well as the streamlining of operational processes to enhance efficiency. We were proud to note that during the peak Olympics departure days, Sochi handled an all-time high of 35,000 passengers a day without any delays.

DEVELOPING OUR 'HEARTWARE'

Even as we build up Changi Airport's hardware, we firmly believe in the importance of developing our organisation's 'heartware' – both in terms of grooming and nurturing our people, as well as touching the communities we serve.

In FY13/14, we continued to step up on people development, with a keen focus on cultivating leadership competencies through a structured leadership development programme, which was attended by over 400 people managers across levels. In recognition of our efforts to build a positive workplace, CAG was ranked among the top five most attractive employers in Singapore at the Randstad Award 2013.

As a corporate citizen that has benefitted from Singaporeans' strong support, CAG recognises its responsibility to contribute to those in society who need help. Since FY11/12, we have devoted a percentage of our net profit to the Changi Foundation, our philanthropic arm which supports youth community efforts. We have since reached out to more than 1,000 youths through this programme, which includes a variety of mentorship activities by CAG staff, and the provision of educational assistance via book prizes and bursary awards. During the year, we partnered Sport Singapore in a new

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We expect CAG's earnings in FY14/15 to be lower due to weakening traffic growth, lack of one-off contributions and increased support for airlines. In the medium to long term, our bottomline will also be impacted by depreciation costs and higher operating costs once the major infrastructure projects are completed. Notwithstanding this, we are confident of CAG's resilience and our ability to seize opportunities amid challenges.

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initiative, 'Saturday Night Lights', which aims to instill positive values through the spirit of sports and football.

FY13/14 FINANCIAL PERFORMANCE

CAG's revenue for FY13/14 crossed the S\$2 billion mark, representing a growth of 10% year-on-year. This was a result of increased revenue capture from both aeronautical and non-aeronautical segments, driven primarily by the increase in passenger traffic, as well as our efforts to drive concession sales through innovative retail strategies.

Due to effective cost control measures, we managed to achieve a moderate 3% increase in operating expenditure, despite rising cost pressures. The increase in operating expenses was mainly due to an expanded staff strength to support the new development projects, as well as escalating manpower costs from labour-intensive contracts.

For FY13/14, the Group also benefitted from one-off contributions amounting to S\$127 million (before adjusting for tax). These one-off contributions relate to prior years property tax adjustments and gains from divestments of our overseas investments. The one-off contributions, together with higher revenues and effective cost control measures, improved EBITDA to S\$1.19 billion and net profit after tax to S\$896 million.

This strong set of results strengthens CAG's ability to weather the market-cycle volatilities that we will face and puts us in a stronger position to fund the capital expenditure planned in the forthcoming years for infrastructure projects including T4, the T1 Expansion, and Runway 3. The cost of these capital investments is approximately \$10 billion over the next decade.

A CHALLENGING OUTLOOK

Following Changi Airport's exceptional growth in the last five years after the financial crisis, we expect traffic growth going forward to taper. Despite recent improvements in macro-economic conditions, the near-term industry outlook continues to be cloudy. Since the beginning of 2014, several airlines have cut back on flights due to overcapacity and depressed yields aggravated by high fuel prices and intense competition.

We expect CAG's earnings in FY14/15 to be lower due to weakening traffic growth, lack of one-off contributions and increased support for airlines. In the medium to long term, our bottomline will also be impacted by depreciation costs and higher operating costs, once the major infrastructure projects are completed. Notwithstanding this, we are confident of CAG's resilience and our ability to seize opportunities amid challenges.

In closing, we want to extend our deepest appreciation to our airline and airport partners, and all members of the airport community – thank you for sharing our unwavering commitment to develop the air hub and deliver the best airport experience possible. We also thank our Board of Directors for their excellent guidance and counsel during the year.

Lastly, to the people in CAG who have worked tirelessly over the year, you make us proud to be part of this company. What we have achieved so far has been extraordinary, and together, we will continue this exciting journey to bring Changi Airport to the next phase of growth.



LIOW MUN LEONG
CHAIRMAN



LEE SEOW HIANG
CHIEF EXECUTIVE OFFICER

BOARD OF DIRECTORS

LIEW Mun Leong - Chairman



Mr Liew was the founding President and CEO of CapitaLand Group. He is currently the Chairman of Surbana International Consultants Holdings Pte. Ltd. and Pavilion Gas Pte Ltd. He also sits on the boards of Singapore Exchange, CapitaLand Hope Foundation (the philanthropic arm of CapitaLand), Pavilion Energy Pte Ltd, NUS Business School, Human Capital Leadership Institute, Centre for Liveable Cities, Chinese Development Assistance Council and the Singapore China Foundation.

In 2013, Mr Liew was appointed as Provost Chair and Professor (Practice) on pro bono service in NUS Business School and the Faculty of Engineering.

He was elected the President of International Organisation for Standardisation (ISO) for the term 1997 to 1998. He was the Chairman of the Board of Governors of Temasek Polytechnic from 1999 to 2006.

With over 40 years of experience in construction and real estate both locally and overseas, Mr Liew has been instrumental in a number of Singapore's public sector projects, including the development of Changi Airport. For his exceptional contributions, Mr Liew was awarded the Meritorious Service Medal by the President of Singapore in 2011. He has also received several accolades including 'Outstanding CEO of the Year' at Singapore Business Awards (2006), 'CEO of the Year' at Singapore Corporate Awards (2007), 'Asia's Best Executive of 2008 (Singapore)' by Asiamoney, as well as 'Best CEO in Asia (Property)' by Institutional Investor (2008). In 2011, he was named Best CEO in Singapore by FinanceAsia. In 2012, he was awarded the Outstanding PR Champion by The Institute of Public Relations of Singapore.

Mr Liew graduated from the University of Singapore with a Civil Engineering degree and is a registered professional civil engineer. He has also published three books entitled *Building People: Sunday Emails from a CEO*, Volumes I, II and III.

LEE Seow Hiang - Chief Executive Officer

Mr Lee is CEO of Changi Airport Group. Prior to this, he was Deputy Director-General (Operations) of the Civil Aviation Authority of Singapore. He is concurrently Deputy Chairman of Changi Airports International Pte Ltd, a Director of SMRT Corporation Limited and Board Member of the Agency for Integrated Care Pte Ltd. He is also a member of the Advisory Board to the joint IATA-NTU Advanced Management Program (AMP) and the joint Executive MBA degree in Aviation Management, as well as a Board Member to the ACI World Governing Board and First Vice President of the ACI Asia-Pacific Regional 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 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 in Business Administration (Honours) from the University of Cambridge, UK, and a Master in Business Administration from the Massachusetts Institute of Technology, USA.



LIM Soo Hoon

Ms Lim Soo Hoon was appointed Permanent Secretary (Finance)(Performance) at the Ministry of Finance on 1 April 2012. She is also the Chairman of the Accounting & Corporate Regulatory Authority.

In her capacity as Permanent Secretary (Finance) (Performance), she oversees the Ministry's central role in creating a high performance government through efficient and effective use of resources, and working towards an integrated government through synergies in programmes, processes and systems across the various government agencies.

Ms Lim joined the Administrative Service in 1981. She has served in various portfolios in the Ministry of Trade and Industry, the former Ministry of Communications and Information, the former Ministry of Labour and the Registry of Vehicles. She was appointed Permanent Secretary, Ministry of Community Development in 1999 and became Permanent Secretary (Public Service Division) in 2005 before joining the Ministry of Finance in 2012.



Michael George William BARCLAY



Mr Barclay is CEO of Sentosa Development Corporation. He also sits on the boards of the Singapore Tourism Board and Mapletree Commercial Trust Management Ltd.

Prior to joining Sentosa in August 2008, Mr Barclay was the Regional Vice President Asia Pacific at the International Air Transport Association. From January 2004 to March 2007, he was Chief Executive of SilkAir. He also held various portfolios for Singapore Airlines in Singapore, Germany, Switzerland, Belgium and the UK from September 1991 to January 2004.

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

Derrick WAN Yew Meng

(Alternate Director to Ms Lim Soo Hoon)

Mr Wan is Director (Reserves and Investment) at the Ministry of Finance. Prior to joining the Ministry of Finance in November 2008, he was Director (Investments and Projects) at the Central Provident Fund and has held appointments in the Ministry of Manpower, Ministry of Law and Ministry of Defence.

Mr Wan is a Chartered Financial Analyst (CFA), a Chartered Alternative Investments Analyst (CAIA) charter holder and a Professional Risk Manager (PRM). He was awarded the Overseas Merit Scholarship by the Singapore Government to study at the University of York, England, where he graduated with First Class Honours (with Distinction) in Economics and Econometrics. He also holds a Masters in Financial Engineering from the National University of Singapore and a Masters in Business Administration from Columbia University, New York.



BOARD OF DIRECTORS

Miguel KO Kai Kwun

Mr Ko is Non-Executive Chairman of the Asia-Pacific region for Starwood Hotels & Resorts Worldwide, Inc. He was previously the Chairman and President of the Asia Pacific Division with strategic oversight of the operating and financial performance of the largest upper-upscale hotel company in the region. Prior to this, he was Deputy Chairman and CEO of CDL Hotels International.

Widely recognised for his knowledge and insight by the Asia Pacific tourism industry, Mr Ko was voted Regional Hotel Chief of the Year (2007 & 2008) by the readers of the Travel Weekly. He was named Visionary Leader of the Year and a recipient of the Global Awards at the World Travel Mart (2007) in London and honoured the Lifetime Achievement Award 2012 at the China Hotel Investment Conference in Shanghai.

Mr Ko has a Bachelor in Business Administration in Economics from the University of Massachusetts and a Masters in Business Administration from Suffolk University. He is also a non-participating Certified Public Accountant (CPA) from New Hampshire, USA.



Eric ANG Teik Lim



Mr Ang is Senior Executive Advisor at DBS Bank. He holds a Bachelor in Business Administration (Honours) degree from the University of Singapore.

Dilhan Pillay SANDRASEGARA

Mr Sandrasegara is the Head of Enterprise Development Group and Head, Singapore, as well as Co-head, Americas, of Temasek International Pte. Ltd. Prior to joining Temasek, he was a corporate lawyer.

Mr Sandrasegara serves on the boards of the Singapore Management University, Singapore Institute of Legal Education, Changi Airports International Pte Ltd, Temasek Life Sciences Venture Pte Ltd and Fullerton Financial Holdings

Pte Ltd. He is also a member of the Capital Markets Committee of the Monetary Authority of Singapore. He was previously a member of the Corporate Governance Council and a board member of various publicly listed companies and public bodies.

He graduated from the National University of Singapore with a Bachelor of Laws and obtained a Master of Law from the University of Cambridge.



Danny TEOH Leong Kay



Mr Teoh is a Board Member of CapitaMall Trust Management Ltd, DBS Ltd, DBS Bank Holdings, DBS Bank (China) Ltd, DBS Foundation Ltd, JTC Corporation, Keppel Corporation Ltd, and the Singapore Olympic Foundation.

Mr Teoh was Managing Partner of KPMG in Singapore until his retirement on 30 September 2010. He had also served as a member of KPMG's Asia-Pacific Board and the KPMG International Council and Board during his time at KPMG.

Mr Teoh 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.

Richard R MAGNUS

Mr Magnus is Chairman of Casino Regulatory Authority, Public Transport Council, Public Guardian Board, Political Films Consultative Committee and Bioethics Advisory Committee, and is a Member of the Public Service Commission. In the private sector, Mr Magnus sits on the Boards of Temasek Cares PLC, CapitalMall Trust, Allgrace Investment Company Ltd, Honour (Singapore) Ltd and is Chairman of the Management Board of Human Capital Singapore.

Mr Magnus retired as Senior (now termed Chief) District Judge. He was awarded the Meritorious Service Award for his exceptional public service by the State in 2009 and awarded the Outstanding Volunteer award by the Ministry of Social and Family Development.

Mr Magnus is a lawyer by training. He is also an alumnus of the Harvard Business School, the John F Kennedy School of Government and the National Agenda Council of the World Economic Forum.



| EXECUTIVE MANAGEMENT |

CHANGI AIRPORT GROUP & CHANGI AIRPORTS INTERNATIONAL



CHANGI AIRPORT GROUP

- | | | | |
|---|--|---|--|
| 1 | LEE Seow Hiang
Chief Executive Officer | 5 | LIM Peck Hoon
Executive Vice President
Commercial |
| 2 | TAN Lye Teck
Executive Vice President
Airport Management | 6 | NG Lai Leng
Chief Financial Officer |
| 3 | YAM Kum Weng
Executive Vice President
Air Hub & Development | 7 | FONG Kok Wai
Executive Vice President
Engineering & Development |
| 4 | FOO Sek Min
Executive Vice President
Corporate | | |

CHANGI AIRPORTS INTERNATIONAL

- | | |
|---|---|
| 8 | LIM Liang Song
Chief Executive Officer |
| 9 | Eugene GAN
Deputy Chief Executive Officer |

MANAGEMENT TEAM

CHANGI AIRPORT GROUP

MANAGEMENT TEAM

CHOY Da Wen

Senior Vice President
Changi East
Programme Management Office

CHUNG Choon San

Project Director
Changi East Construction

Jayson GOH

Senior Vice President
Airport Operations Management

HUNG Jean

Senior Vice President
Landside Concessions

KOH Ming Sue

Senior Vice President
Engineering & Master Planning

LECK Siew Leng

Senior Vice President
Internal Audit

Audrey LEE

Senior Vice President
Economic Affairs

Steve LEE

Senior Vice President
Corporate IT & Technology /
Chief Information Officer

LEONG How Yin

Project Director
Changi East Planning,
Design & Construction

LEONG Kok Hoong

Project Director
Changi East Contracts
& Cost Control

LIM Ching Kiat

Senior Vice President
Market Development

LIM Wee Ping

Senior Vice President
Corporate Strategy &
Business Development

NG Chew Song

Senior Vice President
Projects & Contracts

ONG Chee Chiau

Senior Vice President
Terminal 5 Design

Cletus PACKIAM

Chief
Airport Emergency Service

Ivan TAN

Senior Vice President
Corporate & Marketing Communications

Justina TAN

Senior Vice President
Human Resource

TENG Hwee Onn

Senior Vice President
Engineering & Specialised Systems

Ivy WONG

Senior Vice President
Airsides Concessions

YEO Kia Thye

Senior Vice President
Airport Operations Planning & Airside

CHANGI AIRPORTS INTERNATIONAL*

MANAGEMENT TEAM

CHAN Mew Yoong

Vice President
Human Resources

LOW Beng Lan

Senior Vice President
Finance

NG Kuan Luen

Vice President
Risk Management

Jose PANTANGCO

Senior Vice President
Investments

SEE Ngee Muoy

General Counsel

L SOMKIAT

Chief Airport Planner

*Members of Changi Airports International's Management Committee

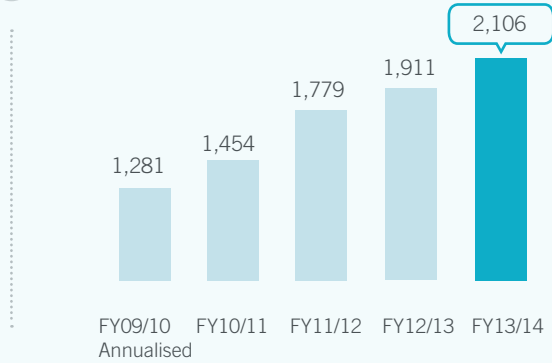


A five-storey high, 300-metre long vertical Green Wall overlooking the Terminal 3 baggage claim area welcomes passengers arriving at Changi Airport.

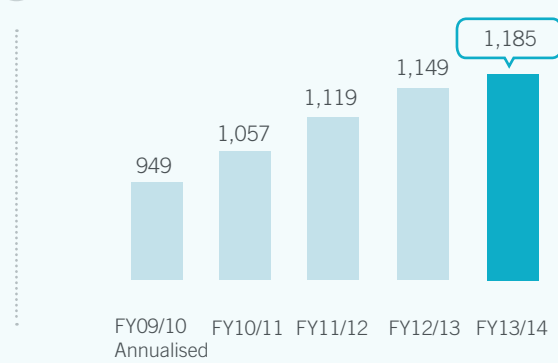
FINANCIAL REVIEW

GROUP FINANCIAL REVIEW

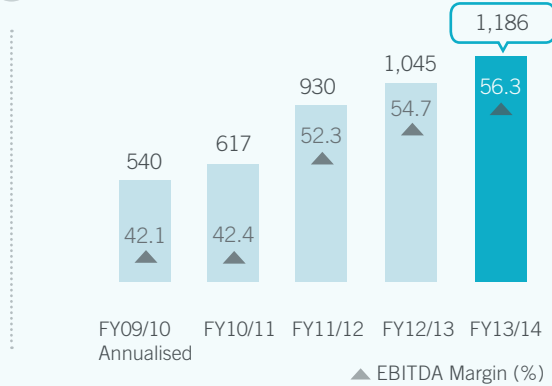
REVENUE (\$\$'mil)



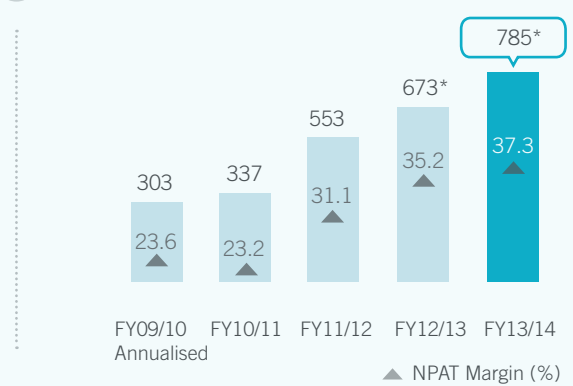
EXPENSES (\$\$'mil)



EBITDA (\$\$'mil)

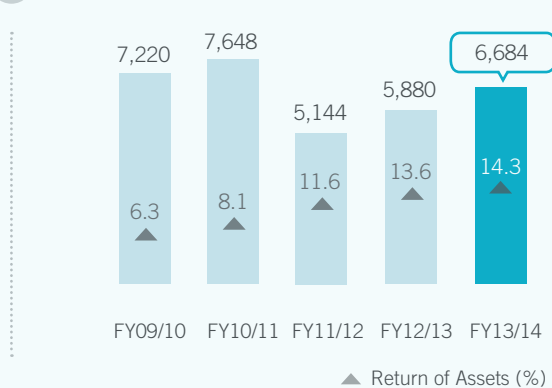


NPAT (\$\$'mil)

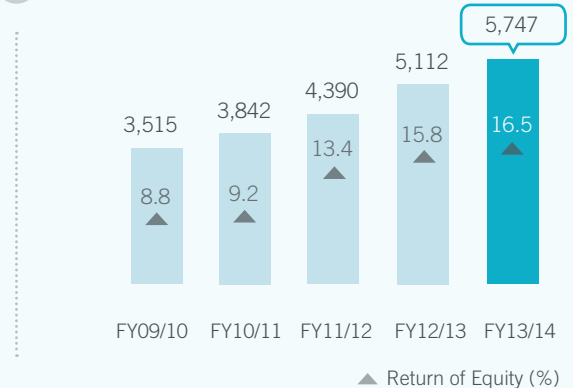


* For comparability purpose, NPAT excluded one-off gains of S\$78m and S\$111m for FY12/13 and FY13/14 respectively.

ASSETS (\$\$'mil)



EQUITY (\$\$'mil)



FINANCIAL REVIEW

OVERVIEW

Changi Airport handled 53.9 million passenger movements in FY13/14, registering steady year-on-year (y-o-y) growth of 3.7%. The growth was achieved through the addition of five new airlines during the year as well as enhanced global connectivity with eleven new city links. Growth was led by the low-cost carriers (LCCs), which grew by 13% y-o-y.

CAG's operating revenue increased by 10% y-o-y, crossing the S\$2 billion mark. The increase in revenue was attributed to increased revenue capture from both the aeronautical and non-aeronautical segments, driven primarily by the increase in passenger traffic as well as our efforts to drive concession sales.

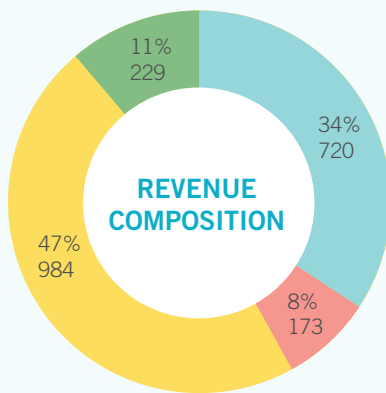
On the cost front, operating expenses increased by 3% y-o-y to S\$1.2 billion, mainly due to escalating cost arising from structural wage reforms in Singapore. The increase was moderated by effective cost control measures, productivity initiatives and effective procurement strategies.

The higher revenue and effective cost control measures improved the Group's earnings before interest, tax, depreciation and amortisation (EBITDA) by 13.5% to S\$1.2 billion. The Group also achieved net profit after tax (NPAT) of S\$785 million, before one-off contributions. The one-off contributions relate to prior years property tax adjustments as well as gains from divestment of our investments in Italy and China, amounting to S\$111 million. Including the one-off contributions, the Group achieved net profit after tax of S\$896 million.

The strong financial results strengthens CAG's ability to fund major development projects planned in the coming years, including Terminal 4, Terminal 1 Expansion, Project Jewel and Runway 3 to meet our long-term infrastructure needs. It also enables CAG to roll out additional cost-relief and incentive schemes for our airline partners, as well as marketing programmes to grow the air hub.

OPERATING REVENUE

(S\$'mil)



FY13/14 - S\$2,106m

The Group's operating revenue grew to S\$2.1 billion, a y-o-y growth of 10.2%.

Airport services and security services grew by 15.4% to reach S\$893 million. The increase was mainly due to higher passenger traffic movements and higher aeronautical revenue capture. Traffic growth at Changi Airport was supported by strong demand in air travel from Asia, in particular, Indonesia, Malaysia, Thailand and Japan. Changi Airport also expanded its city links to China and Africa, connecting Singapore to over 270 cities worldwide.

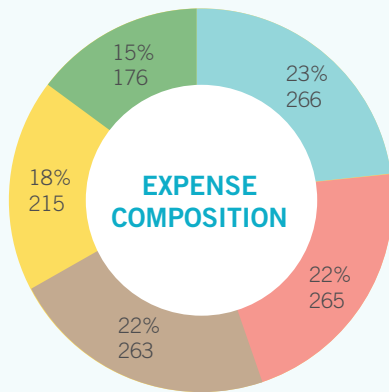
Airport concessions and rental income grew 7.2% y-o-y to reach S\$984 million. Concession sales at Changi Airport grew 7.9%, crossing the S\$2 billion mark, placing Changi Airport among the world's top four airports for airport retail. Changi Airport's commercial strategy includes a strong retail mix and creative promotions to encourage sales. During the year, CAG expanded its retail footprint to the e-commerce space by launching iShopChangi.com, its online retail portal. The strong performance in non-aeronautical revenue enables CAG to keep aeronautical charges at Changi Airport competitive as a significant portion of such revenue is used to subsidise aeronautical charges.

- Airport services
- Airport concessions and rental income
- Security services
- Others

FINANCIAL REVIEW

OPERATING EXPENSES

(\$'mil)



FY13/14 - S\$1,185m

- Maintenance of land, buildings and equipment
- Services, security and other related expenses
- Depreciation
- Employee compensation
- Government charges and CAAS services

The Group's operating expenses (opex) increased moderately by 3% to S\$1.2 billion. The increase came from maintenance expenses, services and security-related expenses, CAAS services as well as employee compensation.

The Group faced higher cost pressures from structural wage reforms and manpower shortages in Singapore, which resulted in escalating cost of maintenance and services. To moderate cost increase, the Group implemented smart procurement strategies, productivity initiatives as well as leveraged on technology to reduce manpower reliance.

In FY13/14, the Group also incurred a higher gazetted payment for CAAS services, mainly due to its implementation of an enhanced Air Traffic Management (ATM) System to reinforce the robust and resilient ATM capability with which CAAS provides air navigation services.

With multiple on-going development projects, including Terminal 4, Project Jewel and planning for a third runway, the Group also expanded its staff strength during the financial year to support the development of these projects.

The y-o-y increase in opex was partially offset by lower depreciation expenses, mainly due to accelerated depreciation for the Budget Terminal last year.

PROFIT AFTER TAX

The Group achieved net profit after tax (NPAT) of S\$785 million (before one-off contributions, amounting to S\$111 million). This was mainly driven by improved performance from the airport operations arising from increased revenue capture from both aeronautical and non-aeronautical segments as well as effective cost control measures. The Group also benefitted from one-off savings arising from prior years property tax adjustments as well as gains from the sale of its investments in Italy and China. Including these one-off contributions amounting to S\$111 million, the Group's NPAT improved to S\$896 million.

The Group's strong financial performance enables it to roll out various cost-relief and incentive schemes for our airline partners. The Group has in FY14/15 launched an additional S\$100 million Growth and Assistance Incentive (GAIN) programme aimed at helping airlines lower costs, boosting passenger traffic and improving operational efficiency at Changi Airport.

In addition, the Group will re-invest a significant portion of its profits to fund capital expenditure and development projects to enhance services and grow the air hub.

FINANCIAL POSITION

The Group's **shareholder equity** improved by S\$635 million to reach S\$5.7 billion, taking into account the dividend paid during the year.

Total **Assets** amounted to S\$6.7 billion, an increase of S\$804 million compared to last year. The major components of total Assets were property, plant and equipment and cash and cash equivalents.

CAPITAL EXPENDITURE

The Group's strong financial position strengthens its ability to invest in capital expenditure to upkeep and enhance the airport facilities, as well as fund several upcoming major development projects. These include the development of Terminal 4, Terminal 1 Expansion and expansion plans for a third runway. The cost of these capital investments is approximately S\$10 billion over the next decade.

FINANCIAL REVIEW

INVESTING FOR THE FUTURE

Upgrading of Existing Terminals



CAG IS INVESTING SIGNIFICANT CAPITAL EXPENDITURE IN THE FORTHCOMING YEARS TO ENHANCE THE AIR HUB AND TO CATER FOR LONG-TERM INFRASTRUCTURE NEEDS.

Three-Runway System



Development of Terminal 4



Terminal 1 Expansion and Project Jewel

CORPORATE GOVERNANCE

The Board and Management of CAG are committed to meeting and maintaining the highest standards of corporate governance, professionalism and integrity to build a company which stakeholders can be proud of. To thrive and operate a sustainable business over the long term, and to uphold and protect the Company's brand and reputation, CAG strongly believes that it has to be accountable to its immediate business and regulatory environment, as well as to the global community.

CAG has a Code of Conduct, which 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 implemented a whistle-blowing framework to prevent, detect, and deter unethical or illegal conduct or behavior, while protecting whistle-blowers from reprisal within the limits of the law if they have acted in good faith.

THE BOARD OF DIRECTORS

1. At the helm of the decision-making process of CAG is the Board of Directors, which oversees the Company's long term strategies, providing management guidance for continuing and steady growth, while protecting the interests of stakeholders.

Composition and Balance

2. The Board, headed by non-executive Chairman, Mr Liew Mun Leong, comprises nine Directors, of whom only the CEO, Mr Lee Seow Hiang, is an executive Director. The Board is strongly independent with seven Directors, including the Chairman, considered to be independent, with reference to the definition of 'independence' in the Code of Corporate Governance. The Directors are individuals with a broad and diverse spectrum of expertise and experience, both domestically and internationally.
3. The Board Directors of CAG are:
Mr Liew Mun Leong - Chairman
Mr Lee Seow Hiang - CEO
Ms Lim Soo Hoon
Mr Derrick Wan Yew Meng
(Alternate Director to Ms Lim Soo Hoon)
Mr Michael George William Barclay
Mr Miguel Ko Kai Kwun
Mr Eric Ang Teik Lim
Mr Dilhan Pillay Sandrasegara
Mr Danny Teoh Leong Kay
Mr Richard Magnus

The profiles of the Directors can be found on pages 22 to 25 in this annual report. Changi Airports International (CAI), a wholly-owned subsidiary, 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. Five 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) and the Executive Committee on Airport Development (ECAD). Each committee is governed by its own terms of reference, which set out the scope of the committee's duties and responsibilities. Ad-hoc committees are also formed to review specific issues from time to time.
6. The Board meets at least four times a year to review CAG's business performance and financial results, and to approve the annual budget.
7. Formal letters are issued to newly-appointed Directors upon their appointment, detailing their duties and obligations as Directors. Management conducts an orientation programme for new Directors, and updates Directors on new laws and regulations, as well as developments and risks facing the business and industry, when necessary. Site visits are also arranged for new Directors to familiarise them with the Group's operations.

Access to Information

8. Prior to each Board Meeting and when necessary, the Board is provided with pertinent information, which includes updates on the Company's operating and financial key performance indicators, legislative, industry and other significant developments relating to the Group, which enables 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 arrange for the appointment of relevant professional advisers, at the Company's expense.

CAPITAL AND INVESTMENTS

1. The members of the EXCO are:
Mr Liew Mun Leong - Chairman
Mr Eric Ang Teik Lim
Mr Lee Seow Hiang
2. The EXCO reviews and recommends to the Board the capital structure, and the financing and investment strategies of the Company. The EXCO also approves significant investments by CAG and CAI. As an executive committee of the Board, it also assists the Board in reviewing and approving executive matters of the Company, including acceptance of banking and credit facilities, granting of corporate guarantees, debt capital market issuance as well as hedging policies and financial limits for Treasury and operational matters.

EXECUTIVE RESOURCE AND COMPENSATION

1. The ERCC comprises three independent and non-executive Directors:
Mr Liew Mun Leong - Chairman
Mr Eric Ang Teik Lim
Mr Miguel Ko Kai Kwun
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 the development of key executives and reviewing succession plans for key positions 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 a balanced and informed assessment of the Company's performance, position and prospects.

Audit Matters

2. The AC comprises the following three non-executive Directors:
Mr Danny Teoh Leong Kay - Chairman
Ms Lim Soo Hoon
Mr Derrick Wan
(Alternate Director to Ms Lim Soo Hoon)
Mr Eric Ang Teik Lim
3. The primary role of the AC is to assist the Board in ensuring integrity of financial reporting and that there is in place a sound system of internal controls. The AC's responsibilities include reviewing the financial information CAG provides to its shareholders and competent authorities and the effectiveness of key internal controls including financial, operational, compliance and risk management, as well as the financial reporting processes that the Board and the Management of CAG have established. The AC also reviews the mechanisms put in place by CAG for employees to raise concerns in confidence, about possible improprieties in financial reporting or other matters; the procedures for independent investigation of the matters reported and for appropriate follow-up action.

4. During the year, the AC performed an independent review of the financial statements of the company. In the process, the AC reviewed 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 financials.
5. Annually, the AC reviews and approves the audit plans of the internal auditors to ensure the adequacy of coverage in terms of the audit scope in reviewing CAG's significant internal controls. The AC also reviews the adequacy of the internal audit function in terms of its resources, competency and standing within the organisation and the training programmes attended by the internal audit team to ensure that the staff continue to update their technical and auditing skills. The AC also reviews the reports of the external auditors and internal auditors on the effectiveness of actions taken by Management on the recommendations and observations.
6. The AC also reviews and approves the external auditor's audit plan for the year. 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 guidelines established by the Accounting and Corporate Regulatory Authority and through discussions with the external auditors. The AC also reviews the non-audit fees awarded to the external auditors to determine 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, and at least one of these meetings was 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 shareholders' interests and the Group's assets, and to manage risks. The Board delegates its oversight responsibilities for internal controls and risk management to the AC, which ensures effectiveness and adequacy of the system of internal controls in the Company.
2. CAG's internal control framework, supported by systems, processes and people, comprises three lines of defence in ensuring the adequacy of CAG's system of internal controls. The first line of defence comprises business governance and policies implemented by Management to provide direction and guidance on financial, operational, information technology and compliance matters. The second line of defence comprises the management and assurance frameworks, i.e. enterprise risk management and fraud risk management processes. These include conflict of interest declarations by employees and the implementation of the Whistle-blowing Policy and

CORPORATE GOVERNANCE

Code of Conduct to establish a clear tone on the expectations of employees' business conduct. The third line of defence is the independent assurance provided by the internal and external auditors.

3. CAG's internal and external auditors review the key internal controls of the Company and any material non-compliance or failures in internal controls. Recommendations for improvement are reported to the AC, which reviews the effectiveness of the action taken by Management on 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 risks while achieving business objectives.
5. A separate committee, the TC, evaluates and approves tenders for goods and services exceeding S\$50 million, with the exception of those related to new development projects and major redevelopment projects at Changi Airport, which are under the purview of the ECAD. The TC is chaired by a non-executive Director and comprises the following three Directors:

Mr Michael George William Barclay - Chairman
Mr Richard Magnus
Mr Lee Seow Hiang

Internal Audit

1. The role of the internal auditors is to assist the AC to ensure that the Company maintains a sound system of internal controls. Internal Audit 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.
2. Internal Audit adopts a risk-based approach in its audit work, focusing on key internal controls, including financial, operational, information technology 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.
3. Audits are carried out on all significant business units and processes in the Company. The annual audit plan is developed in consultation with, but independent of Management, and is approved by the AC. Internal Audit's reports on findings and recommendations are submitted to the AC with copies extended to the CEO and relevant senior management officers, and a summary of key findings and recommendations discussed at the AC meetings. Internal Audit also tracks and reports to the AC on the implementation status of actions agreed by Management, so as to ensure timely and adequate closure of audit findings.

EXECUTIVE COMMITTEE ON AIRPORT DEVELOPMENT

1. The ECAD comprises four Directors and seven non-Directors. The four Directors are:
Mr Liew Mun Leong - Chairman
Mr Derrick Wan Yew Meng
(Alternate Director to Ms Lim Soo Hoon)
Mr Michael George William Barclay
Mr Lee Seow Hiang

As and when necessary, external members may be co-opted to provide expertise to the development projects.
2. The ECAD oversees new development projects 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 the development projects at Changi Airport.

ENTERPRISE RISK MANAGEMENT

ENTERPRISE RISK MANAGEMENT

1. CAG manages a wide range of risks which include operational and safety, regulatory, financial, and developmental project risks. The risk owners in the key operational divisions work closely with the corporate risk management unit to increase vigilance and identify key risks with greater scope and depth so that controls can be put in place. The company seeks to ensure a safe, secure and seamless airport experience for its customers, while ensuring continued growth of its air hub and timely delivery of key developmental projects.
2. A project risk management framework is in place for Changi Airport's key developmental projects. Dedicated risk managers assigned to each project ensure that risks which impact timelines, costs and quality are addressed.

RISK GOVERNANCE

3. The CAG Risk Committee, supported by the Enterprise Risk Management (ERM) unit, leads the Company's efforts in developing and strengthening its risk management processes and framework. Reporting to the Board's Audit Committee, the Risk Committee is chaired by the CEO and comprises Senior Management members, who meet regularly to review CAG's key risks and provide directions to strengthen the implementation of ERM in CAG.

RISK AWARENESS CULTURE

4. At CAG, every employee and everyone working in the airport community is a valued manager of risks. The Risk Committee, through the ERM unit, continues with its engagement efforts through inter-divisional risk workshops and meetings with risk owners so that there is a common and holistic understanding of how risks are managed across the many areas of Changi Airport.
5. CAG also engages its airport partners through both formal meetings and informal channels on risk issues so that there is greater sharing and deeper understanding of its risks.

