



## **SIA ENGINEERING COMPANY STEPS UP MEASURES TO MITIGATE IMPACT OF COVID-19**

**SINGAPORE, 2 APRIL 2020** – The increasing border entry restrictions in many countries to contain the global spread of Covid-19 has resulted in the unprecedented collapse in demand for air travel and impact on the global economy. In view of the massive flight cuts by airline customers and the increasingly difficult business environment, SIA Engineering Company Limited (SIAEC) is stepping up its measures to mitigate the severe impact.

The Management of SIAEC will take deeper pay cuts than previously announced. The pay cuts for the Chief Executive Officer and Executive Vice President have increased to 25% and 20% respectively, with effect from 1 April 2020. Senior Vice Presidents' pay cut of 8% has been brought forward from 15 April 2020 to 1 April 2020 and will increase to 15% from 1 May 2020. Vice Presidents' pay cut of 7% has been brought forward from 15 April 2020 to 1 April 2020 and will increase to 12% from 1 May 2020. Senior Managers and Managers' pay cut of 5% has been brought forward from 15 May 2020 to 1 April 2020 and will increase to 10% from 1 May 2020.

In addition to the voluntary no-pay leave scheme offered to all staff, the Company has been working closely with its unions on other measures, including varying days of compulsory no-pay leave, furlough for staff on re-employment contracts and deferment of salary increments and promotions.

The SIAEC Board has also volunteered a deeper reduction of 25% in fees accruing with effect from 1 April 2020 in solidarity with Management and Staff.

The SIAEC Group will defer non-essential operating costs, non-essential capital expenditure and timing of certain payments. We will also take measures to maintain adequate liquidity over the uncertain duration of this unexpected crisis and severe disruption.

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**About SIA Engineering Company** (Company Registration No. 198201025C)

[www.siaec.com.sg](http://www.siaec.com.sg)

SIA Engineering Company (SIAEC) is a major provider of aircraft maintenance, repair and overhaul (MRO) services in Asia-Pacific. SIAEC has a client base of more than 80 international carriers and aerospace equipment manufacturers. It provides line maintenance services at 36 airports in 8 countries, as well as airframe and component services on some of the most advanced and widely used commercial aircraft in the world. Apart from MRO services, SIAEC also offers a comprehensive and integrated suite of solutions under its fleet management services.

The 26 subsidiaries and joint ventures with original equipment manufacturers and strategic partners in Singapore, Hong Kong, Indonesia, Japan, Philippines, United States, Vietnam and Thailand increase the depth and breadth of the Company's service offerings. SIAEC has approvals from 25 national aviation regulatory authorities to provide MRO services for aircraft registered in the United States, Europe, China and other countries.

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