

**SYNGENTA LIMITED**

**Annual Report and Financial Statements**

For the year ended 31 December 2019

**Registered number: 2710846**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2019**

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## **COMPANY SUMMARY INFORMATION**

### **Directors**

Mr A Johnson  
Mr A Conn  
Mr J Halliwell  
Mr F Lewis (resigned 31 December 2019)  
Mr P Bugnon (appointed 1 January 2019)  
Mr J Reay (appointed 11 February 2020)

### **Secretary**

Mr M Bayliss

### **Registered Office**

Jealott's Hill International Research Centre  
Bracknell  
Berkshire  
RG42 6EY

### **Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

## STRATEGIC REPORT for the year ended 31 December 2019

### Review of business and future developments

#### Business review and results

The result for the period is set out on page 12 which show that the Syngenta Limited ("the Company") made a profit before tax of £121m (2018: £69m). The profit before tax figures included gains on disposal of £56m (2018: £60m) which are explained in note 3.

#### Principal activities

The principal activities of the Company during 2019 continued to be the research, development and manufacturing of agrochemicals and provision of administrative and support services to other Syngenta AG Group companies.

#### Trading and key performance indicators

On an ongoing basis, the Company's main income sources are royalty and tolling income, with some product sales within Europe, Africa and the Middle East. The latter are relatively small since a fellow subsidiary Syngenta Crop Protection AG (SCPAG) operates the main process of selling and supplying globally under licence from Syngenta Limited. Toll manufacturing is carried out at the Company's Huddersfield and Grangemouth sites on behalf of SCPAG for which reward is earned on a cost plus basis. Royalty income is paid to Syngenta Limited by SCPAG in respect of sales of products in which the Company owns the intellectual property rights. In addition, the Company provides administration services to other Syngenta AG Group companies.

	2019	2018
	£'m	£'m
<b>Turnover</b>	<b>414</b>	<b>374</b>
<b>Gross profit</b>	<b>237</b>	<b>203</b>
<b>Administrative expenses</b>	<b>(166)</b>	<b>(159)</b>
<b>Other operating expenses</b>	<b>(8)</b>	<b>(37)</b>
<b>Operating profit</b>	<b>63</b>	<b>7</b>

Turnover increased by £40m and gross profit increased by £34m which was mainly due to an increase in royalty income of £30m. Other operating expenses decreased by £29m mainly due to a one-off pension expense of £18m included in the 2018 results.

#### Research and development

Syngenta Limited is actively involved in research and development in all aspects of agrochemicals and seeds. The Company is continuously improving the research process, building on well-established platforms in chemistry, biology and biotechnology. Novel tools, methods and information services allow the Company to evaluate a wide variety of diverse chemicals quickly and efficiently. The use of multidisciplinary research teams to refresh the existing product range is also key to the Company's continued success in the face of competition. Many projects are carried out in collaboration with universities and other third parties.

The Company's R&D activities take place at the international R&D centre at Jealott's Hill which concentrates on herbicide discovery, but also has expertise in bioscience and chemistry which is applied to the discovery and development of fungicides, insecticides and new seed varieties. In addition, the centre has expertise in formulation science and process studies and also houses a Product Safety group who are responsible for ensuring the human and environmental safety of Syngenta's products.

## **STRATEGIC REPORT for the year ended 31 December 2019**

### **Health safety and environment (HSE)**

Syngenta policy is to ensure the responsible management of all its activities from product invention to use and beyond. Excellence in HSE performance is essential to this policy and Syngenta will:

- Be a responsible corporate member of society committed to continuous improvement in HSE
- Provide a safe and healthy work environment for all employees
- Minimise environmental impact and optimise the use of natural resources
- Meet or exceed regulations, legal requirements and international agreements
- Ensure HSE considerations are integrated into all activities
- Develop a culture which encourages employees to take personal responsibility for HSE
- Openly communicate HSE performance and enter into dialogue with interested parties
- Aim to eliminate all incidents and injuries

The Company's environmental impact is in line with its principal activities, namely the research, development and manufacturing of agrochemicals. In all cases, the Company aims to minimise any negative impact through a system of stringent checks and controls.

### **Principal risks and uncertainties**

The Company's major risks relating to royalties include increased competition on expiry of patent protection, changes in the regulatory framework in key territories and political changes with respect to policy on agricultural matters.

The main risk in research and development is that activities will not yield new products that achieve commercial success. This activity is expensive, prolonged and subject to considerable uncertainty. The process of developing a novel crop protection product takes between six and ten years from discovery, through testing and registration to initial product launch. Current products under development may neither survive the development process nor ultimately receive the requisite regulatory approvals needed to market the products.

The Company uses forward foreign currency contracts to reduce exposure to the variability of foreign exchange rates by hedging committed material foreign currency exposure.

Credit risk is relatively low since most of the Company's trade is with other Syngenta AG Group companies.

The directors have considered the effect of Brexit on the Company's operations particular in relation to adopting the going concern basis in preparing the financial statements. The Company's operations are located in the UK with turnover mainly consisting of royalty income and income from toll manufacturing services neither of which would be directly affected by operational issues related to importing or exporting products. However, royalty income for some products for which the Company provides toll manufacturing services could be indirectly affected since such products are exported from the UK by an affiliated company and raw materials are imported to the UK by the affiliated company for the purpose of such toll manufacture. Mitigating actions are being taken which partially mitigate these potential risks (for example, by bringing forward production). Taking into account the circumstances of the Company, the board of directors does not expect Brexit to significantly impact on the Company's ability to continue in operational existence for the foreseeable future.

The directors have considered the effect of COVID19 on the Company's operations particularly in relation to adopting the going concern basis in preparing the financial statements. Syngenta AG Group operates in the agricultural industry and in most countries around the world, the agriculture industry is designated as essential, allowing businesses such as Syngenta to continue to operate almost as usual. Taking into account the circumstances of the Company and the wider Syngenta AG Group, the board of directors does not expect COVID19 to have a significant impact on the Company.

## STRATEGIC REPORT for the year ended 31 December 2019

### Section 172 statement

This section 172 statement which is reported for the first time explains how the directors:

- have engaged with employees, suppliers, customers and others; and
- have had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and others and the effect of that, including on the principal decisions taken by the company during the financial year.

The s172 statement focuses on matters of strategic importance to the Company and the level of information disclosed is consistent with the size and complexity of the business

#### *S172a) The likely consequences of any decision in the long term*

Syngenta AG Group's purpose is to bring plant potential to life and it invests and innovates to transform the way crops are grown and protected, bringing about positive, lasting change in agriculture. Through innovative technologies Syngenta helps farmers worldwide manage a complex set of challenges from nature, ensure food security and balance agricultural production against environmental considerations and meet societal demands. The approach is to ensure that everybody wins: that farmers are prosperous, agriculture becomes more sustainable, and consumers have safe, healthy and nutritious food.

The company supports Syngenta AG Group through its main business functions of research and development, manufacturing of agrochemicals and provision of administrative and support services to other Syngenta AG Group companies. The decisions taken in in these functions are long term ones. On average it takes a decade to invent a new novel compound, trial it, and bring it to market. Similarly, the manufacturing facilities required to manufacture these products are major investments which will operate for many years. For example, during 2019 the directors considered and approved a new expansion project at one of its manufacturing sites and a sale and leaseback (with a 40 year term and the right to renew) of certain properties on one site, both of which were decisions for the long term.

Syngenta AG Group's ambition is to provide enough, better food while protecting the environment. The Good Growth Plan was launched in 2013 and set a number of targets in regard to improved performance of crops; better environmental outcomes; and safeguarding safety of customers and employees worldwide. The first iteration of the Good Growth Plan completed in 2020 and was independently audited. Overall, all metrics were met and in a number of instances exceeded.

New Good Growth Plan commitments were launched in June 2020. These new targets focus on reducing climate change and improving biodiversity through actions on farms. Over this new five year plan Syngenta Group aims to play its part in reducing agriculture's carbon footprint and helping farmers deal with the extreme weather patterns caused by climate change. Our new commitments include targets to reduce greenhouse emissions from our own operations.

#### *s172 b) The interests of the Company's employees*

Our employees tell us they are proud to work for a Company with the ambition to provide enough, better food while protecting the environment to enable the food chain to feed the world safely and take care of our planet. We invest in the development of our people and we continue to build a diverse and inclusive culture where people feel they can be the best version of themselves. Decisions of the Board give due consideration to the implications for employees where relevant. For example, a site development initiative at one of the Company's sites was approved by the Board which if successful will help ensure the sustainability of the site for the future.

Health, Safety and Ethics discussions are encouraged in all forums. We have a range of leadership development and individual development programmes at all levels within the business and employees are encouraged to proactively drive their own development. Our culture is one of trust and openness.

## STRATEGIC REPORT for the year ended 31 December 2019

### Section 172 statement (continued)

The Company, either individually or as part of wider Syngenta AG Group activities, regularly engages with its employees via a number of routes and forums. A comprehensive structure of consultation forums are maintained across the Company, and its associated sites and functions, involving union and employee representatives, with two of the Company's directors attending the UK level forum. In addition to this, there are regular communications with all employees regarding

- Syngenta AG Group performance (culminating in annual bonus payments to employees through a profit share plan and performance related bonuses both of which are linked to Syngenta AG group financial performance); and
- other matters that involve employees where we have an inclusive culture which is continuously being developed to ensure open communication through a number of routes, such as in-house intranet, "town hall" meetings, e-mails and online surveys.

*s172 c) foster the Company's business relationships with suppliers, customers and others.*

The Company's customers are other parts of the Syngenta AG Group. It licenses its R&D inventions and provides manufacturing services, administrative and support services to other group companies.

The Company works with many external suppliers both in the UK and overseas. Clear policies guide all Syngenta's procurement activities. We share our standards and principles with our suppliers and expect them to live up to them when they are working with us. In addition, our minimum requirements for suppliers focus on fair labour practices with special reference to illegal, forced, bonded and compulsory labour. This document forms an integral and binding part of our contractual relationships with our suppliers.

The Company also recognises that the Syngenta UK Pension Fund ("SUKPF") is a key stakeholder which is considered when key relevant decisions are made. For example, the Board considered the financial position of the SUKPF when it met to approve the annual dividend and a board member also had a prior communication with the SUKPF on this matter.

*s172 d) the impact of the Company's operations on the community and the environment*

As described above in relation to s172a) Syngenta AG Group's ambition is to provide enough, better food while protecting the environment and has made a number of commitments in its Good Growth Plan.

The Company plays a key role in the Syngenta AG Group's ambition through invention of new products, ensuring the human and environmental safety of Syngenta's products and through its HSE's policy (as described above) which is embedded in the way the manufacturing sites operate. The Board actively monitors the Company's HSE performance and reviewed HSE matters at several board meetings during the year. This included the monitoring of the implementation of a new HSE management system.

Syngenta also reaches out to local communities from its key sites. For example, at Jealott's Hill the Company runs a 'landshare' alongside its existing farm, enabling local community groups to grow produce, plants and flowers. At other locations, including Huddersfield, Grangemouth and Manchester there are significant donations and sponsorships awarded to a range of local groups supporting activities including youth sports and local environmental improvement schemes.

*s172 e) the desirability of the Company maintaining a reputation like standards of Business Conduct*

The Company's stakeholders must have confidence in the Company for our business to remain successful. We can only maintain their trust if we act – and are seen to act – in accordance with the highest standards of ethics and integrity. Syngenta's Code of Conduct is a key part of our compliance framework. It demonstrates our commitment to build and maintain trust in Syngenta and to integrate our business, social and environmental responsibilities into everything we do. It has been adopted by the Board of Directors and is an integral part of daily business life. Every Syngenta employee receives a copy of the Code of Conduct, receives training and is expected to know, understand and apply it without exception.

In addition, during the year the directors approved a statement on modern slavery and its tax strategy both of which are published on [Syngenta.co.uk](http://Syngenta.co.uk).

**STRATEGIC REPORT for the year ended 31 December 2019**

**Section 172 statement (continued)**

*Section 172(f) the need to act fairly as between members of the Company*  
The Company's shares are 100% owned by Syngenta Holdings Limited.

A handwritten signature in black ink, appearing to read 'A. D. Johnson'.

By order of the board  
A D Johnson  
Director  
23 November 2020



## **DIRECTORS' REPORT for the year ended 31 December 2019**

The Directors of Syngenta Limited submit their report, together with the audited financial statements of the Company for the year ended 31 December 2019.

### **Employment**

The Company maintains an open management style and involves employees in both daily decisions and longer-term matters. Syngenta Limited's policy is that there should be no discrimination against any person for any reason that is not relevant to the effective performance of their job. All judgements about people for the purposes of recruitment, development and promotion are made solely on the basis of their ability and potential in relation to the needs of the job. It is the Company's policy that disabled people should have the same consideration as others for job vacancies. Depending on their skills and abilities they enjoy the same career prospects as other employees and the same scope for realising their potential.

Also see the Strategic Report for more details on how the Company engages with employees and has regard to employee interests.

### **Business Relationships with customers, suppliers and others**

This is described in the Strategic Report.

### **Going concern**

After making an assessment of the Company's financial position the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **Dividends**

A dividend of £30 million (2018: £16 million) was declared and paid in the year.

### **Directors**

The directors whose names appear in the Company Summary Information on page 2 were directors of the Company throughout the year and remain so at the date of the report (unless stated otherwise).

### **Political contributions**

The Company made no political donations or incurred any political expenditure during the year.

### **Directors' indemnity arrangements**

A qualifying third party indemnity provision has been in place for the benefit of one or more directors of the Company throughout 2019 and remains in place.

### **Auditor re-appointment**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KMPG LLP will therefore continue in office.

### **Disclosure of information to the auditor**

The directors who were members of the board at the time of approving the directors' report are listed on page 2. Having made enquiries of fellow directors and of the company's auditor, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of the auditor's report of which the company's auditor is unaware; and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditor is aware of that information.

By Order of the Board

A D Johnson  
Director  
23 November 2020



**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT,  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYNGENTA LIMITED**

### **Opinion**

We have audited the financial statements of Syngenta Limited ("the company") for the year ended 31 December 2019 which comprise the statement of Profit and loss and other comprehensive income, Balance sheet and Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model, and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the company will continue in operation.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYNGENTA LIMITED (continued)**

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 9, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

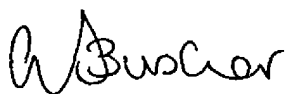
### **Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Gemma Buschor (Senior Statutory auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL

24 November 2020

**PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME**  
**for the year ended 31 December 2019**

	Note	2019 £'m	2018 £'m
<b>Turnover</b>	<b>2</b>	<b>414</b>	<b>374</b>
<b>Cost of sales</b>		<b>(177)</b>	<b>(171)</b>
<b>Gross profit</b>		<b>237</b>	<b>203</b>
Integration and exceptional costs and impairments		(3)	(1)
Other administrative expenses		(163)	(158)
<b>Administrative expenses</b>		<b>(166)</b>	<b>(159)</b>
Other operating expenses		(8)	(37)
<b>Operating profit</b>	<b>3</b>	<b>63</b>	<b>7</b>
Gain on disposal of product rights	3	1	60
Gain on sale of tangible fixed assets	3	55	-
Interest receivable and similar income	6	2	2
<b>Profit before taxation</b>		<b>121</b>	<b>69</b>
Tax charge on profit	7	(11)	(6)
<b>Profit after taxation</b>		<b>110</b>	<b>63</b>
<b>Other comprehensive income:</b>			
Remeasurement of net defined benefit pension liability	16	(93)	110
Restriction on pension asset recognised on balance sheet	16	38	(42)
Deferred tax movement relating to pension scheme	7	9	(9)
<b>Total comprehensive income for the year</b>		<b>64</b>	<b>122</b>

**BALANCE SHEET**  
**as at 31 December 2019**

	Note	2019 £'m	2018 £'m
<b>Fixed assets</b>			
Intangible assets	8	21	25
Tangible assets	8	299	301
Investments	9	28	28
		<b>348</b>	<b>354</b>
<b>Current assets</b>			
Stocks	10	8	7
Debtors	11	352	317
Cash		1	1
		<b>361</b>	<b>325</b>
<b>Creditors: amounts falling due within one year</b>	12	<b>(165)</b>	<b>(190)</b>
<b>Net current assets</b>		<b>196</b>	<b>135</b>
<b>Total assets less current liabilities</b>		<b>544</b>	<b>489</b>
Pension net liability	16	(83)	(59)
Provisions for liabilities and charges	13	(10)	(13)
<b>Net assets</b>		<b>451</b>	<b>417</b>
<b>Capital and reserves</b>			
Called up share capital	14	85	85
Profit and loss account		366	332
<b>Shareholders' funds</b>		<b>451</b>	<b>417</b>

The financial statements on pages 12 to 29 were approved by the board of directors and were signed on its behalf on 23 November 2020 by:



Mr A D Johnson  
Director

## STATEMENT OF CHANGES IN EQUITY

	Called –up share capital	Retained earnings	Total
	£'m	£'m	£'m
<b>Balance as at 1 January 2018</b>	<b>85</b>	<b>226</b>	<b>311</b>
Profit for the year	-	63	63
Other comprehensive income for the year:			
- Remeasurement of the net defined benefit pension liability	-	110	110
- Restriction on pension assets		(42)	(42)
- Deferred tax movement relating to pension scheme	-	(9)	(9)
Total other comprehensive income for the year:	-	59	59
Dividends	-	(16)	(16)
Total transactions with owners, recognised directly in equity	-	(16)	(16)
<b>Balance as at 31 December 2018</b>	<b>85</b>	<b>332</b>	<b>417</b>
<b>Balance as at 1 January 2019</b>	<b>85</b>	<b>332</b>	<b>417</b>
Profit for the year	-	110	110
Other comprehensive income for the year:			
- Remeasurement of the net defined benefit pension liability	-	(93)	(93)
- Restriction on pension assets	-	38	38
- Deferred tax movement relating to pension scheme	-	9	9
Total other comprehensive income for the year	-	(46)	(46)
Dividends	-	(30)	(30)
Total transactions with owners, recognised directly in equity	-	(30)	(30)
<b>Balance as at 31 December 2019</b>	<b>85</b>	<b>366</b>	<b>451</b>

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019****1. Principal accounting policies**

Syngenta Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK. Its registered number is 2710846 and registered address is Jealott's Hill, International Research Centre, Bracknell, Berkshire RG42 6EY.

These financial statements were prepared in accordance with Financial Reporting Standard 102, *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1 million.

**Exemption to not prepare group accounts**

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

**Exemptions for qualifying entities under FRS 102**

Syngenta AG, an intermediate parent undertaking includes the Company in its consolidated financial statements. The consolidated financial statements of Syngenta AG are prepared in accordance with International Financial Reporting Standards and are available to the public from the address provided in note 17. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and,
- Key Management Personnel compensation.

As the consolidated financial statements of Syngenta AG include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1; and
- Certain disclosures required by FRS 102.26 *Share Based Payments*.

The Company has taken advantage of the exemption available to wholly owned subsidiaries under FRS 102 33.1A not to disclose transactions with other wholly owned group companies.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. Judgements made by the directors in the application of these accounting policies that have significant effect on the financial statements are discussed in note 18.

**Going concern**

After making an assessment of the Company's financial position, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. The directors have considered the effect of COVID19 on the Company. Syngenta Group operates in the agricultural industry and in most countries around the world, the agriculture industry is designated as essential, allowing businesses such as Syngenta to continue to operate almost as usual. Taking into account the circumstances of the Company and the wider Syngenta Group, the board of directors does not expect COVID19 to have a significant impact on the Company.



**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)****1. Principal accounting policies (continued)****Turnover**

Turnover, which excludes value added tax, includes tolling income and royalty income, mainly from Syngenta Supply AG and Syngenta Crop Protection AG, and sales for the provision of agrochemicals. Royalty income is recognised as the related external product sales are reported. Tolling income is mainly recognised on a cost plus basis when the costs are recognised.

**Fixed assets and depreciation**

Tangible fixed assets are capitalised at cost. Syngenta's policy is to write off the book value of each tangible fixed asset evenly over its estimated remaining life. Reviews are made periodically of the estimated remaining lives of individual productive assets, taking account of commercial and technological obsolescence as well as normal wear and tear. Under this policy, depreciation is calculated so as to write off the cost or valuation of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal lives used for this purpose are:

	Years
Buildings	10 - 40
Plant and equipment	2 - 39

No depreciation is provided on freehold land.

**Intangible assets**

Intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses. Amortisation is charged to the profit or loss on a straight line basis over the estimated useful life of intangible assets with the principal lives used for this purpose being 14 and 20 years.

**Impairment of tangible fixed assets and intangible assets**

At each balance sheet date tangible fixed assets and intangible assets are assessed to determine whether there is an indication of impairment. If there is such an indication, the recoverable amount of the asset is estimated.

The recoverable amount of the asset (or the asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's (or asset's cash generating unit) continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

**Investments**

Investments in subsidiary undertakings are recorded at cost. The carrying values of investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)****1. Principal accounting policies (continued)****Foreign currency**

Transactions denominated in foreign currencies are recorded in the local currency at actual or average exchange rates where these approximate the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are retranslated at the exchange rate prevailing at that date or if appropriate the related forward contract rate. Any gain or loss arising is included as an exchange gain or loss in the profit and loss account.

**Leases**

Rentals under operating leases are charged to the profit and loss account as incurred.

**Pensions**

Syngenta Limited participates in a funded pension scheme, the Syngenta UK Pension Fund, (SUKPF) which is administered by a separate Trustee and covers the majority of employees in either a defined contribution section (where the level of company contribution is fixed at a percentage of employees' pay) or a defined benefit section (where the benefits are based on employees' years of service and final pensionable pay). The pension contributions are determined with the advice of an independent qualified actuary. The SUKPF Fund covered several Syngenta UK companies. Also, since September 2013 the Company has placed all new employees in a new defined contribution scheme, the Syngenta AG Group Personal Pension plan (GPP).

**Defined benefit plans**

The Company is unable to identify its share of the underlying assets of the SUKPF, for reasons including the transfer of a number of employees between Syngenta AG Group companies where different pension scheme arrangements may be in place and the fact that there is no guidance or agreement within the scheme rules as to the allocation of assets between employing companies. Accordingly, in line with the requirement of FRS 102 the net defined benefit cost of the plan is recognised fully by the Company as it is legally responsible for the plan.

The net defined benefit obligation is measured at the present value of future benefit payments attributable to employee service rendered up to the balance sheet date, according to the benefit formula set out in the relevant pension plan rules and employment terms at the balance sheet date. The fair value of any plan assets is deducted. The Company determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit liability/(asset) taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dates approximating to the terms of the Company's obligations. A valuation is performed annually by a qualified actuary using the projected unit credit method. The Company recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit liability arising from employee service rendered during the period, net interest on net defined benefit liability, and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in profit or loss. Remeasurement of the net defined benefit liability/asset is recognised in other comprehensive income in the period in which it occurs.

**Defined contribution plans**

Obligations for contributions to the defined contribution section of the SUKPF and to the GPP are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

**Research and development**

Research and development expenditure is charged to the profit and loss account in the year in which it is incurred.

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)****1. Principal accounting policies (continued)****Stocks**

Finished goods are stated at the lower of cost or net realisable value and raw materials and other stocks at the lower of cost or replacement price. The first in first out, standard cost or an average method of valuation is used. Net realisable value is determined as estimated selling price less costs of disposal.

**Provisions**

Provisions are made for liabilities of the Company where there is a present obligation (legal or constructive) as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax or to receive more tax.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**2. Segment information**

Syngenta AG, worldwide, is involved in the agribusiness and splits its operations for segment reporting into Crop Protection and Seeds. The majority of the Company's revenue is derived from Crop Protection. The Company's turnover is split between the following geographical markets:

	2019	2018
	£'m	£'m
<b>Product Sales</b>		
Europe, Africa, Middle East	16	18
<b>Tolling Income</b>		
Europe	164	152
<b>Royalty Income</b>		
Europe	234	204
<b>Total Turnover</b>	<b>414</b>	<b>374</b>

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

## 3. Expenses, auditor's remuneration and gain on disposal

	2019	2018
	£'m	£'m
Profit on ordinary activities before taxation is stated after charging / (crediting):		
Research and development costs	140	139
Integration and exceptional costs	3	1
Gain on disposal product rights	(1)	(60)
Gain on sale of tangible fixed assets	(55)	-
Auditor's remuneration:		
- Audit of financial statements	0.2	0.2
- Other	0.1	0.1
Rentals under operating leases - other (land and buildings)	2	1

Impairment charges and integration and exceptional costs are included within administrative expenses.

The gain on disposal product rights arose following the Company's ultimate parent company changing in 2017 as a result of China National Chemical Corporation ("ChemChina") acquiring the shares of Syngenta AG. The European Commission approved the acquisition contingent upon Syngenta divesting certain selected products. In addition a number of products were transferred to another company (Adama) within the ChemChina family. These divestments took place during 2018 and included products for which the Company owned intellectual property rights and the Company received proceeds of £60m in 2018 and £1m in 2019 in relation to these divestments.

The gain on sale of fixed assets arose mainly on the sale and leaseback of certain assets on one site.

## 4. Emoluments of directors

The total emoluments paid to directors of the Company in the year for qualifying services, net of pension contributions, were £302,484 (2018: £318,577). Company contributions to money purchase pension schemes were £3,938 (2018: £1,023).

The emoluments, net of pension contributions, of the highest paid director were £139,551 (2018: £133,049). The accrued retirement benefit of the highest paid director at 31 December 2019 was £55,364 (2018: £53,806). The highest paid director did not receive shares under the group's long term incentive scheme.

	2019	2018
Number of directors who received shares in respect of qualifying service	-	-
Number of directors who exercised share options in respect of qualifying service	-	-
Number of directors accruing benefits under defined benefit scheme	3	3

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)****5. Employee numbers and costs**

The average number of people employed by the Company (including directors) during the year was:

	2019	2018
Global Supply	956	950
General and Administration	191	190
Research and Technology and Plant Science	461	460
	<b>1,608</b>	<b>1,600</b>

The aggregate payroll costs of the persons employed by the Company were as follows:

	2019	2018
	£'m	£'m
Salaries	94	89
Social security costs	10	9
Pension costs (Note 16)	17	41
Other employment costs	2	3
	<b>123</b>	<b>142</b>

**6. Interest receivable and similar income**

	2019	2018
	£'m	£'m
Receivable from group companies	2	2
<b>Interest receivable and similar income</b>	<b>2</b>	<b>2</b>

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

## 7. Taxation

## a) Tax included in profit and loss

	2019	2018
	£'m	£'m
<b>Current tax</b>		
UK corporation tax on profit for the year	6	1
Adjustment in respect of uncertain tax position	1	1
Adjustment in respect of previous years	(2)	(1)
<b>Total current tax</b>	<b>5</b>	<b>1</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	5	6
Adjustment in respect of previous years.	1	(1)
<b>Total deferred tax</b>	<b>6</b>	<b>5</b>
<b>Tax expense / (income) included in the profit and loss account</b>	<b>11</b>	<b>6</b>

## b) Tax expense / (income) included in other comprehensive income

	2019	2018
	£'m	£'m
<b>Deferred tax</b>		
Origination and reversal of timing differences	(9)	11
Adjustment in respect of previous years.	-	(2)
<b>Total deferred tax</b>	<b>(9)</b>	<b>9</b>
<b>Tax (income) / expense included in other comprehensive income</b>	<b>(9)</b>	<b>9</b>

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

## 7. Taxation (continued)

## c) Factors affecting the tax charge for the current year

The tax charge for the year is lower (2018: lower) than the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

Total tax reconciliation	2019 £'m	2018 £'m
Profit on ordinary activities before tax	121	69
Notional charge at UK corporation tax rate of 19.00% (2018: 19.00%)	23	13
Effects of:		
Expenses not deductible for tax purposes	-	(6)
Taxable base cost of capital disposal not recognised	(6)	-
Recognition of previously unrecognised capital losses	(5)	-
Group relief (claimed) / surrendered	(1)	-
Adjustment in respect of uncertain tax position	1	1
Adjustments to tax charge in respect of previous years	(1)	(2)
<b>Total tax charge for the year</b>	<b>11</b>	<b>6</b>

## d) Deferred taxation

The amount of deferred tax provided in the financial statements is analysed as:

	2019 £'m	2018 £'m
Difference between accumulated depreciation and capital allowances	16	15
Pension movement	(14)	(10)
Other timing differences	1	1
<b>Total deferred tax provision</b>	<b>3</b>	<b>6</b>

A reduction in the UK corporation tax rate to 17% (effective from 1 April 2020) was substantively enacted on 15 September 2016. This would have had the effect of reducing the company's future current tax charge accordingly. The deferred tax at the balance sheet date has been calculated based on this rate. In the Budget on 11 March 2020 it was announced that the UK tax rate will remain at the current rate of 19% and not reduce to 17% from 1 April 2020. This will have a consequential effect on the company's future tax charge. If this rate change had been substantially enacted at 31 December 2019 the deferred tax liability would have increased by £0.3m.

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

## 8. Intangible and tangible fixed assets

	Land and buildings £'m	Plant and equipment £'m	Capital expenditure and assets in course of construction £'m	Total tangible assets £'m	Intangible assets* £'m
<b>Cost</b>					
Opening balance	135	693	37	865	140
Additions	-	13	35	48	-
Disposals	(40)	(31)	-	(71)	-
Transfer between categories	3	28	(31)	-	-
<b>At 31 December 2019</b>	<b>98</b>	<b>703</b>	<b>41</b>	<b>842</b>	<b>140</b>
<b>Depreciation / Amortisation</b>					
Opening balance	(96)	(471)	3	(564)	(115)
Charge for year	(4)	(27)	-	(31)	(4)
Disposals	26	26	-	52	-
Transfer between categories	-	3	(3)	-	-
<b>At 31 December 2019</b>	<b>(74)</b>	<b>(469)</b>	<b>-</b>	<b>(543)</b>	<b>(119)</b>
<b>Net book value</b>					
<b>At 31 December 2019</b>	<b>24</b>	<b>234</b>	<b>41</b>	<b>299</b>	<b>21</b>
At 31 December 2018	39	222	40	301	25

The land and buildings are all freehold. All tangible fixed assets are carried at cost.

\*Intangible assets include concessions, patents, licences, trademarks, goodwill and similar assets. The net book value of £21m at 31 December 2019 is made up of £19m product rights and £2m purchased goodwill.

## 9. Fixed asset investments

The subsidiary undertakings of the Company are as follows:

Subsidiaries	Country of registration	Percentage of shares held	Class of share	Principal activity
Syngenta (China) Investment Co. Ltd	China	100%	Ordinary	Holding /Trading

The registered address for Syngenta (China) Investment Co. Ltd is 21/F, Xin Mei Union Square, 999 Pu Dong South Road, 200120, Shanghai, China.

	Shares in subsidiaries £'m
<b>Cost</b>	
Opening balance	28
Disposals	-
Additions	-
<b>At 31 December 2019</b>	<b>28</b>
<b>Net book value</b>	
<b>At 31 December 2018</b>	<b>28</b>
<b>At 31 December 2019</b>	<b>28</b>



## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

## 10. Stocks

	2019	2018
	£'m	£'m
Raw materials and consumables	8	7
	8	7

The difference between purchase price or production costs of stocks and their replacement cost is not material.

## 11. Debtors

	2019	2018
	£'m	£'m
<b>Amounts falling due within one year</b>		
Amounts owed by Group companies	330	296
Other debtors	18	19
Prepayments and accrued income	4	2
	<b>352</b>	<b>317</b>

Included in other debtors above are amounts falling due after more than one year of £nil (2018: £nil).

A deposit agreement is in place with Syngenta Treasury N.V. The agreement has no fixed amount or repayment date and is repayable on demand. At 31 December 2019 there was an amount deposited by the Company of £188m (2018: £232m) on which interest is receivable at a rate linked to LIBOR.

## 12. Creditors

	2019	2018
	£'m	£'m
<b>Amounts falling due within one year</b>		
Trade creditors	88	76
Amounts owed to group companies	13	59
Corporation tax creditor	34	35
Other creditors, including taxes and social security	30	20
	<b>165</b>	<b>190</b>

HMRC have opened enquiries into Syngenta Holdings Limited for the years from 2011 to 2017 and it is anticipated that enquiries will be opened into 2018 and 2019. As Syngenta Limited claimed group relief from Syngenta Holdings Limited, if the outcome of the enquiry impacts the losses available for surrender, additional tax could be payable by Syngenta Limited. The main uncertainty surrounding the enquiry is the timing and the amount of the outflows where there is a wide range of possible outcomes. These will be determined based on the outcome of discussions surrounding the enquiry.

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)****12. Creditors (continued)**

At 31 December 2019 the Company's balance sheet includes a liability of £33m in respect of this uncertain tax position.

In the directors opinion based on their current knowledge, Syngenta's tax provisions are adequate to cover Syngenta's potential tax cost.

**13. Provisions for liabilities and charges**

	Deferred taxation £'m	Employee costs £'m	Environmental £'m	Other £'m	Total £'m
<b>Opening balance</b>	6	2	4	1	13
Utilised during the year	-	-	-	(1)	(1)
Amounts recognised in profit or loss	6	-	-	1	7
Movements recognised in other comprehensive income	(9)	-	-	-	(9)
<b>At 31 December 2019</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>1</b>	<b>10</b>

Employee costs provided for include severance and related costs, long term incentive plan benefits and post-retirement healthcare costs. Employee costs relating to severance and related costs will be incurred over several years. Environmental provisions mainly relate to the expected environmental costs at the Company's manufacturing and associated sites. See note 7 for deferred tax. Other provisions mainly relate to non-redundancy restructuring costs and legal costs.

**14. Called up share capital**

	2019 £'m	2018 £'m
<b>Allotted, called up and fully paid:</b>		
85,000,000 ordinary shares of £1 each	85	85

**15. Commitments and contingent liabilities**

	2019 £'m	2018 £'m
Contracts placed for future capital expenditure not provided for in these accounts	9	6

Guarantees held by the Company, to HMRC relating to import duties and The Environment Agency for permits, for which security has been given with bank guarantees, amount to £0.3m at 31 December 2019 (2018: £0.3m).

The Company has provided a £20m loan facility to the Syngenta Pensions Trustee Limited since November 2006. No funds are currently loaned under this arrangement.

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

## 15. Commitments and contingent liabilities (continued)

## Operating leases

At 31 December the Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2019	2018
	£'m	£'m
Payments due:		
Within one year	5	2
Between one and two years	5	1
Between two year and five years	15	3
After five years	66	-
<b>Total</b>	<b>91</b>	<b>6</b>

## 16. Pensions

Syngenta Limited participates in two schemes, the Syngenta UK Pension Fund (SUKPF) and the Syngenta AG Group Personal Pension plan (GPP). The SUKPF is a funded pension scheme which is administered by a separate Trustee and covers the majority of employees in either a defined contribution section (where the level of company contribution is fixed at a percentage of employees' pay) or a defined benefit section (where the benefits are based on employees' years of service and final pensionable pay). The pension contributions are determined with the advice of an independent qualified actuary. The SUKPF Fund covers several Syngenta UK companies. The GPP is a defined contribution pension scheme which commenced in September 2013 for all new employees.

In recent years, in line with most other pension funds, the SUKPF has been affected by the impact of low interest rates, the price of annuities and increased life expectancy and turmoil in the financial markets. A new funding agreement was signed in 2017 which covers the period to 31<sup>st</sup> March 2024 whereby it was agreed that annual deficit payments of £27m p.a would be paid with additional payments of £46m in January 2018 and £30.7m no later than 31 December 2020.

A UK High Court judgment was issued on 26 October 2018 relating to Guaranteed Minimum Pensions ('GMP'). The ruling requires the equalisation of member benefits earned between 1990 and 1997 to address gender inequality in instances where GMP benefits are currently unequal. A provision has been made for the estimated financial impact of this ruling on the SUKPF and a past service cost of £18m was recognised in the year ended 31 December 2018. Further work will be carried out with the Trustee to determine the exact impact.

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

## 16. Pension (continued)

## Syngenta UK pension fund defined benefit disclosures (continued)

The following disclosures are required under FRS 102 for the defined benefits section of SUKPF. The amounts detailed below for the main scheme, the SUKPF, have been calculated by an independent qualified actuary based on the most recent full actuarial valuation of the plan, updated to 31 December 2019 and refer to the SUKPF as a whole since the Company is unable to identify its share of the underlying assets and liabilities. The Company recognises the net defined benefit asset or liability as it is the entity legally responsible for the plan.

The defined benefit section of the SUKPF has been closed to new entrants since 5 April 2002 and therefore the service cost is expected to increase when expressed as a percentage of the remaining members' pensionable salaries. The total overall cost will reduce over time as membership of the defined benefit section reduces. The Company amended the benefits so that pensionable pay was frozen at January 1, 2016 levels. The defined benefit fund remains open to existing members, and pay increases after January 1, 2016 which are not part of defined benefit pensionable pay will be pensionable under the Syngenta AG Group Personal Pension (GPP), a defined contribution plan, for those who choose to join.

The key assumptions used for determining the past service financial position at 31 December 2019 under FRS 102 were long-term UK price inflation of 2.99% (2018: 3.23%), a discount rate of 1.99% (2018: 2.8%), and future increases in pensions of 2.99% (2018: 3.23%) and pensionable salary increases of nil% (2018: nil%).

The movements in the defined benefit obligation for all Syngenta UK companies during the year were:

	£'m 2019	£'m 2018
Obligation at start of the year	1,987	2,207
Current service cost	13	19
Interest cost	56	52
Past service cost	-	18
Actuarial losses / (gains)	151	(153)
Benefits paid	(106)	(156)
<b>Obligation at end of the year</b>	<b>2,101</b>	<b>1,987</b>

The movements in scheme assets for all Syngenta UK companies during the year were:

	£'m 2019	£'m 2018
At start of the year	1,985	2,040
Expected return on scheme assets	55	49
Actuarial gains / (losses)	58	(43)
Contributions by the Company	42	88
Contributions paid / payable by Syngenta UK Limited	3	5
Contributions by scheme participants	2	2
Benefits paid	(106)	(156)
<b>At end of the year</b>	<b>2,039</b>	<b>1,985</b>

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)

## 16. Pension (continued)

## Syngenta UK pension fund defined benefit disclosures (continued)

The amounts charged / (credited) to the profit and loss were:

	£'m 2019	£'m 2018
Current service cost net of contributions by scheme participants	11	17
Past service cost	-	18
Net interest on net defined benefit liabilities	1	3
<b>Total pensions expense</b>	<b>12</b>	<b>38</b>
Less: contributions paid by other group companies	(3)	(5)
<b>Total pension expense in the company's profit and loss account</b>	<b>9</b>	<b>33</b>

The components of the net pension liability which was recognised on the balance sheet of the Company were as follows:

	£'m 2019	£'m 2018
Defined benefit obligation	(2,101)	(1,987)
Plan assets	2,039	1,985
Asset ceiling limit recognised in other comprehensive income	(21)	(57)
<b>Net pension (liability) / asset</b>	<b>(83)</b>	<b>(59)</b>

The major categories of scheme assets that comprised the end of year scheme assets and their expected rates of return, were:

	2019 £'m	2019 % of total scheme assets	2018 £'m	2018 % of total scheme assets
Equity instruments	214	10%	398	20%
Debt instruments	733	36%	755	38%
Other assets	1,092	54%	832	42%
<b>Total scheme assets</b>	<b>2,039</b>		<b>1,985</b>	

## Defined contribution plans

The total pension charge for the defined contribution plans was £8m (2018: £8m).

**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2019 (continued)**

**17. Immediate and ultimate holding company**

The immediate parent company is Syngenta Holdings Limited, incorporated in the UK. The ultimate parent company is China National Chemical Corporation (ChemChina) whose address is 62 Beisihuan Xilu, Haidian District, Beijing 100080, People's Republic of China.

Syngenta AG, a company incorporated in Switzerland is the parent of the smallest group for which consolidated financial statements including the results of Syngenta Limited were prepared. Copies of the group consolidated financial statements can be obtained from Syngenta AG, Rosentalstrasse 67, 4058 Basel, Switzerland.

**18. Accounting estimates and judgements**

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates may be different by definition to the related actual results. Significant accounting estimates or judgements made in the preparation of these financial statements relate to:

- Pensions assumptions, as described in note 16;
- The timing and amount of cash outflows in relation to corporation tax. See note 12.