

## **Solvency and Financial Condition Report (SFCR) of Syntonia Insurance AG for the Financial Year 2017**

The Board of Directors has approved this report at its regular meeting of March 6, 2018, held at the statutory seat of the company in Vaduz, Liechtenstein.


Note: Syntonia Insurance AG is granted publication exemptions in accordance with article 100, 3) a) and b) of the Versicherungsaufsichtsgesetz VersAG.

Syntonia Insurance AG is a subsidiary company of the Syngenta group of companies with the purpose of providing insurance risk financing to the Syngenta group. Syngenta does not publicly disclose any detailed financials of its subsidiaries for competition reasons.

Syngenta group companies are involved in numerous litigations worldwide. Releasing information about insurance provisions and related figures could compromise Syngenta's defense position in some pending litigation. For this reason, Syntonia Insurance AG abstains from providing information about insurance results and other technical financial figures.

For the Board:

Signed in Vaduz on May 9, 2018



Dr. Gerold Hoop  
President of the Board



Claude Breutel  
Director

## Company Profile

|   |  |
|---|--|
| <b>Company name</b>                               | Syntonia Insurance AG  |
| <b>Shareholder</b>                                | Syngenta Participations AG, Basel, 100%.<br>Syngenta Participations AG is a 100% direct subsidiary of Syngenta AG, Basel   |
| <b>Share capital</b>                              | 145'000 registered shares of USD 100.00 each   |
| <b>Registered office</b>                          | Landstrasse 40, 9495 Triesen   |
| <b>Contact details</b>                            | Mr. Björn Hofmann<br>General Manager / Managing Director<br>Phone: +423 262 44 66<br>Fax: +423 262 44 64<br><a href="mailto:bjoern.hofmann@syngenta.com">bjoern.hofmann@syngenta.com</a><br><a href="mailto:syntonia.insurance@syngenta.com">syntonia.insurance@syngenta.com</a> |
| <b>Insurance classes</b>                          | 7 Transport<br>8 Fire and natural forces<br>9 Damage to property<br>13 General liability (including Product Liability)<br>14 Credit insurance<br>16 Miscellaneous financial losses (including Business Interruption)   |
| <b>Management</b>                                 | Sovereign Consulting Services Ltd., 9491 Ruggell<br>Aon Insurance Managers AIM Liechtenstein AG, accounting  |
| <b>Board</b>                                      | Dr. Gerold Hoop, President of the Board, 9492 Eschen<br>Donat Marxer, 9494 Schaan<br>Patrick Hilty, 9494 Schaan<br>Isabelle Jörg, 4056 Basel<br>Claude Breutel, 4002 Basel   |
| <b>Responsible Actuary<br/>Actuarial Function</b> | Martin Lehmann<br>Aon Schweiz AG<br>Henric Petri-Strasse 12<br>CH-4010 Basel<br><a href="mailto:martin.lehmann@aon.ch">martin.lehmann@aon.ch</a>   |
| <b>Internal Audit</b>                             | Revitrust Grant Thornton, Schaan   |
| <b>External Audit</b>                             | KPMG (Liechtenstein) AG, Mr. Hans Vils, 9494 Schaan  |
| <b>Regulator</b>                                  | FMA Liechtenstein<br>Landstrasse 109<br>FL-9490 Vaduz  |

Syntonia Insurance AG (“Syntonia”, the company) is a single-parent owned direct insurance captive of the Syngenta group of companies. Only group internal risks are underwritten. Syntonia provides direct policies to Syngenta subsidiaries located in the EU/EEA and in the USA, Canada, Australia and New Zealand.

Syntonia reinsures Zurich Insurance fronted local policies in other geographies (Latin America, Asia and North America).

Starting January 1<sup>st</sup> 2017, Syntonia is in run-off. No new risks are underwritten. The company is actively working on obtaining risk releases where necessary. It is the intention to liquidate the company in 2019.

## Capital Management

### Own Funds

| Tier   | Funds description      | Amount [USD] | Objectives, Policies, Processes |
|--------|------------------------|--------------|---------------------------------|
| Tier 1 | Ordinary share capital | 14,500,000   |                                 |
|        | Reconciliation reserve | 21,852,025   |                                 |
|        | Total                  | 36,352,025   |                                 |
| Tier 2 | n/a                    | n/a          | n/a                             |
| Tier 3 | n/a                    | n/a          | n/a                             |

No deductions or restrictions apply to the funds listed above.

### Assets, at 31.12.2016, in USD:

| Asset class              | Asset   | Accounting Valuation | Solvency II Valuation |
|--------------------------|---|----------------------|-----------------------|
| <i>Intangible Assets</i> | In-house broker software  | 1                    | 1                     |
| <i>Capital Assets</i>    | Bonds of associated undertakings and loans to associated undertakings | 5,779,466            | 5,779,466             |
| <i>Sundry Assets</i>     | Current bank accounts   | 38,670,654           | 38,670,654            |

## SCR and MCR

| Risk Module                       |                          | Risk Charge [USD] |
|-----------------------------------|--------------------------|-------------------|
| <i>Non-life Underwriting Risk</i> | Premium and Reserve Risk | 2,101,141         |
|                                   | Catastrophe Risk         | 0                 |
|                                   | Lapse Risk               | 0                 |
|                                   | Diversification Benefit  | 0                 |
|                                   | Total                    | <b>2,101,141</b>  |
| <i>Counterparty Risk</i>          |                          | <b>6,067,902</b>  |
| <i>Market Risk</i>                | Interest Rate Risk       | 37,704            |
|                                   | Equity Risk              | 0                 |
|                                   | Spread Risk              | 158,448           |
|                                   | Currency (FX) Risk       | 151,848           |
|                                   | Property Risk            | 0                 |
|                                   | Concentration Risk       | 1,177,277         |
|                                   | Diversification Benefit  | (320,927)         |
|                                   | Total                    | <b>1,204,350</b>  |
| <i>Intangible Asset Risk</i>      |                          | 1                 |
| <i>Diversification Benefit</i>    |                          | (1,604,648)       |
| <b>Basic SCR</b>                  |                          | <b>7,768,746</b>  |
| Operational Risk                  |                          | 2,330,624         |
| Adjustments                       |                          | (1,381,280)       |
| <b>SCR</b>                        |                          | <b>8,718,089</b>  |

MCR amounts to USD 4,370,939 and is given by the absolute floor for the MCR of USD 3,700,000 applicable to Syntonia.

### Use for Duration-based Equity Risk Sub-mod in the Calculation of the SCR

Not applicable.

### Difference between the Standard Formula with any Internal Model

The Standard Formula is used.

### Non-compliance with SCR and/or MCR

There are no non-compliance items to be reported.

### Other Information

No other information is considered for disclosure.