

June 26, 2017, Basel, Switzerland

General Meeting Syngenta AG

Chairman's speech

Michel Demaré, Chairman of the Board of Directors

Dear shareholders,
Ladies and gentlemen,

2016 was a momentous year for Syngenta and for the agriculture sector. In the wake of challenging market conditions and rising innovation costs, our industry has embarked on a wave of consolidation which has a profound transformational impact for all the players involved. I am pleased that Syngenta, after a period of turbulence, has found a path which guarantees the company's long term future and safeguards its identity. The option we have chosen is more a change of ownership than a consolidation move. Syngenta will remain a standalone company with the same commitment towards food security, innovation and farmers, whatever the size of their farms.

The closing of such a transaction obviously took time, as it required review and approval from a large number of regulatory authorities. In the meantime, we were not standing still and waiting for the changes to happen. We have worked hard at adapting Syngenta to the new realities of our markets. Profound management changes, starting at the CEO level, were coupled with crucial simplification initiatives to make the company leaner and faster to make decisions. We have clarified our strategy, giving our Seeds business a much more transparent focus and expanding our skills and capabilities, with an immediate, very positive response from our customers. We continue expanding and investing in our leading Crop Protection business with the same intensity. And we continue to put the customer at the center of what we do, offering solutions tailor-made to their needs and expectations of what a broad portfolio company like Syngenta can bring them.

While the instability that beset emerging markets in 2015 to some extent subsided, market conditions in 2016 remained tough for the fourth consecutive year. Syngenta had already responded quickly to a more challenging environment with the announcement, in February 2014, of the Accelerating Operational Leverage program. This has already yielded substantial cost savings.

However, for a company like Syngenta, cost savings alone cannot drive longer term performance. Growth is the key factor for long term success and, in our field, it means that our business is dependent on continuous innovation, whether this be in the form of new crop protection products, improved seeds or novel traits. The development timelines are long, often exceeding ten years. Regulation is becoming ever more demanding, meaning that the cost of bringing a new product to market increases while the certainty of achieving approval diminishes. When revenues are under pressure – as they have been in recent years - it becomes difficult to sustain R&D at the necessary level. This dilemma has been one of the catalysts for industry consolidation.

At this time two years ago, Syngenta was faced with what was, in effect, a hostile takeover bid, with a real risk that the company would be torn apart. Today, we stand here with our future assured – a future to which we can look forward with confidence and optimism.

A takeover by Monsanto, such as they proposed in 2015, would have resulted in the loss of thousands of jobs worldwide, including many here in Switzerland. It would have faced serious pushback from the regulatory authorities and it entailed a high degree of risk for our shareholders. In other respects too, such a merger was fraught with risk, attempting to bring together two companies with opposing cultures and utterly different values.

If Monsanto had succeeded, things would look very different today. Our entire seeds business would have been sold – probably at a knock-down price – whereas today we are actively developing this business under new leadership. And we would have been packing up our bags to leave Basel, as Syngenta would not have existed any more as a standalone entity.

The transaction with ChemChina differs from the others in the sector because it is not a merger but rather a change in ownership. We have exchanged many short-term oriented shareholders for one stable one. Moreover, the rationale for the transaction lies in its growth targets and not in cost synergies. All our stakeholders are benefiting. Our shareholders have received a great price, all in cash. Our employees are not only reassured in terms of job stability – they are excited and motivated by our growth ambitions. For growers worldwide, this means continued choice as we maintain and build our global portfolio. And communities here in Basel and elsewhere in Switzerland will also benefit, as we continue to pay taxes and provide employment.

ChemChina and Syngenta share a long term view and a conviction about the role of technology in agriculture, whether that be in areas where adoption is already high or in countries, such as China, where there is still considerable scope for modernization. We are both aware of the urgency with regard to global food security. And both companies are deeply committed to sustainability.

Sustainability has always been at the core of Syngenta's activity, permeating the way we do business on a day-to-day basis, and reinforced by our smallholder-focused initiatives. ChemChina has enthusiastically endorsed the work of the Syngenta Foundation and the commitments of the Good Growth Plan, which are at the heart of our Company and will remain so in the future.

This transaction with ChemChina will secure Syngenta's long term investment in innovation. ChemChina has recognized the value of our pipeline and of our world-leading scientists, and has explicitly committed to maintaining a high level of R&D spend in the coming years. This is one of several commitments in the transaction agreement which will underpin the governance of the company. We have pledged to maintain the highest corporate governance standards, and this should be seen in the context of ChemChina's intention to re-list a minority stake in the coming years.

At least until then, Syngenta will be a private company. However, we will continue to be transparent in the way we do business and the way we communicate with our stakeholders. We owe this to you, to our employees – both current and future – and to our many customers, suppliers and other partners around the world.

Thank you.