Corbion

REPORT OF THE BOARD OF MANAGEMENT 2015

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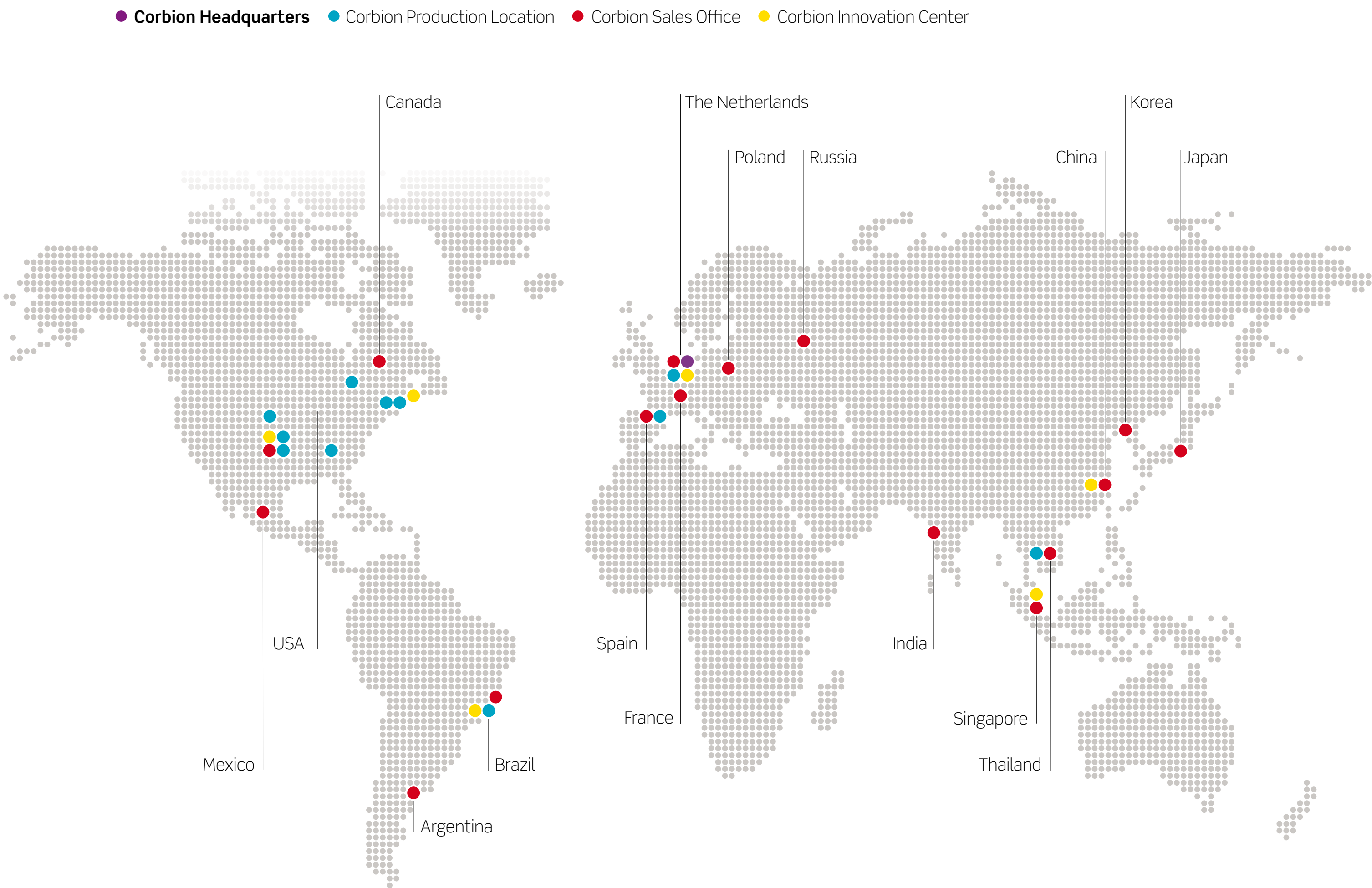
Corbion at a glance

Corbion is a leading food ingredients and biobased chemicals company. We help our customers respond to, and leverage ever increasing demands for high quality and performance, improved health, and safety across a wide range of markets.



Our global presence

We market our products through a worldwide network of sales offices and distributors, and have a global supply chain with manufacturing facilities in the US, Thailand, Brazil, the Netherlands, and Spain. Our innovation centers are located across the globe and our headquarters is based in the Netherlands.

Corbion has an established technology platform based on over 80 years of fermentation experience. We lead the way in lactic acid as well as in cutting-edge emulsification technology and functional blending capability. Drawing on the deep rooted application and market knowledge that has been built up over decades, we work hand in hand with our customers to make our technology work for them.
Corbion's strategy and every aspect of our operations are built around advancing sustainability and applying high ethical standards, whether this relates to the management of our global supply chain, responsible procurement of our raw materials, or the safety and wellbeing of our people. In 2015, Corbion generated annual sales of € 918.3 million and had a workforce of 1,673 employees. Corbion is listed on the Euronext Amsterdam.

Two lines of business

At Corbion we distinguish between two lines of business, each with a different set of characteristics: Biobased Ingredients and Biobased Innovations. These business units are supported companywide by globally managed R&D, operations, and business support functions.

Biobased Ingredients

The Biobased Ingredients business unit focuses on our core business: ingredients for Food and Biochemicals.

Food

We deliver distinctive emulsification, acidification, and fortification functionality; allowing our customers to produce affordable, convenient, safe, and better-for-you food and beverages. Our expertise in preservation allows our customers to keep food safe and fresh, while preventing food waste and extending shelf life. We are also helping our customers to meet consumer demands for foods with simpler ingredients and fewer additives.
In no other industry is the word "local" more important than in food – where the look, feel, taste, and even smell of a product must be tailored to the demands of a specific demographic group. We also know that no customer and no market are the same. Whether the market is meat, bakery, beverage, confectionery, or dairy our global presence, supply chain, reach, and perspective allow us to think globally but act locally.

Biochemicals

Our biobased chemicals offer improved functional performance, production efficiency, and safety. Manufactured from renewable resources, and using the most advanced and resource efficient fermentation processes, they provide a sustainable alternative to fossil-based chemicals for customers operating across a wide spectrum of industries, including medical biomaterials, plastics, pharma, electronics, home and personal care, agriculture, coatings, adhesives, solvents, and animal health. We are constantly exploring opportunities to bring the benefits of our products and solutions to other industries.

Biobased Innovations

Our Biobased Innovations business unit creates new biotechnology business platforms. By using our own core technology, stand-alone or by combining it with our partners' technologies, we will drive growth via a disciplined stage-gate investment approach.
Our PLA (poly lactic acid) / lactide business is part of this business unit. Our high performance PLA resin can be used to make a degradable bioplastic for a wide range of applications, ranging from food packaging to touchscreen computers and durable automotive components.
Biobased Innovations also comprises the succinic acid joint venture with BASF (Succinity), as well as our longer-term development projects such as FDCA, a potential replacement for purified terephthalic acid (PTA).

Message from the CEO

Members of the Executive Committee

Marc den Hartog, EVP Operations, Eddy van Rhede van der Kloot, CFO, Tjerk de Ruiter, CEO, Johan van der Hel, EVP Human Resources, Andy Muller, EVP Biobased Ingredients.

For Corbion, 2015 was all about the execution of our "Disciplined Value Creation" strategy, which we started to roll out end of October 2014.

We are still in the early phases of implementing our strategy, but it has been encouraging to see how much progress we have made in the past year.
The "Disciplined Value Creation" strategy has a strong focus on cash flows, returns on investments, and profitability. To enhance value creation we will use a differentiated management and capital allocation approach for our two business units Biobased Ingredients and Biobased Innovations. It gives us a clear framework for making choices and decisions.

In Biobased Ingredients one of the decisions was to strengthen the position of our Food business in Bakery and Meat. If we now look back a year later, we have successfully introduced new dough conditioning solutions in Bakery and launched a series of clean label products for the North American Meat industry.
In 2015 external market forces created opportunities which we were able to convert: we launched an egg replacer in response to the egg shortage caused by the avian flu in the US and introduced our Ensemble Non-PHO line of emulsifiers in response to new regulation. This shows our strategy not only creates focus but also allows us to respond to new market opportunities.
In Biochemicals we have teamed up with companies such as MedinCell and Perstorp, strengthening our position in the Medical Biomaterials and Adhesives markets respectively.

Next to differentiated market approaches, "Disciplined Value Creation" also entailed a focused productivity improvement program, "Streamline". Under "Streamline" we have aligned the organization with the portfolio choices, simplified our business processes, optimized our manufacturing footprint, and driven competence development. The majority of the targeted savings from "Streamline" have been achieved in 2015 rather than 2016, which underscores our focus on disciplined execution. This part of the strategy involved making difficult choices and having to part from valued colleagues. But we can be proud of the swiftness with which the program has been implemented, without losing sight of carefulness, enabling the savings to come in earlier than anticipated.

In Biobased Innovations, we reached major milestones for the construction of a new 75 kT PLA plant, having secured upfront customer commitment for one-third of plant capacity in May 2015 and completing the pre-engineering for this plant. An important step for Corbion on the road to building a bioplastics business and becoming a PLA producer. At the same time we successfully produced PLA out of alternative feedstocks using our gypsum-free lactic acid technology. It is exciting to see how much progress we have made and how we succeed in leveraging our technology to produce succinic acid and hopefully in the future other molecules like FDCA as well.

In 2015 we have added a sustainability framework to our "Disciplined Value Creation" strategy. Sustainability is a license to operate for our existing business as well as a driver for innovation and future growth, and hence a key enabler for the realization of our ambition. On the basis of a thorough stakeholder analysis and value chain assessment, we have defined our key priorities and formulated our ambitions. Our world today is facing significant global challenges, such as resource scarcity and food security. We have learned from our value chain assessment that our biobased products can make a positive impact and contribute to sustainable development for people, planet, and profit, thereby contributing their part to the resolution of these global challenges.

Our differentiated approach is starting to pay off in terms of overall financial performance, as evidenced by improved returns on capital employed and the positive trend in free cash flow. We do still have a long way to go and a lot of work to be done to realize our ambition: becoming a leading biotechnology company while at the same time generating good growth and strong profitability in our existing ingredients businesses. Our "Disciplined Value Creation" strategy will continue to be our guidance in achieving this ambition.

On behalf of my colleagues of the Executive Committee, I would like to thank all our employees for their hard work and I feel we can all be proud of what we have accomplished in just one year. My gratitude goes to our customers, suppliers, and shareholders for their unwavering support.

Tjerk de Ruiter

Company highlights

Net sales

Organic sales growth 4.6%

€ 918.3 mln

EBITDA

Excluding one-off items

Increased by 37.1%

€ 150.3 mln

Free cash flow

Increased by € 62.4 million

€ 55.2 mln

Balance sheet ratios

Net debt / EBITDA ratio

0.4 x EBITDA

Earnings per share

€ 1.29

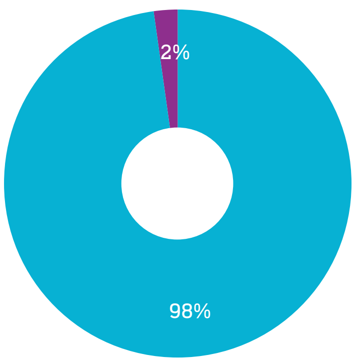
ROCE

Excluding one-off items

12.6% in 2014

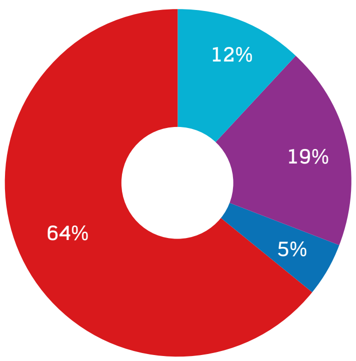
19.2 %

Net sales



By business unit

- Biobased Ingredients: € 895.9 million
- Biobased Innovations: € 22.4 million



By region

- Asia: € 107.9 million
- EMEA: € 174.7 million
- Latin America: € 47.7 million
- North America: € 588.0 million

EBITDA excluding one-off items by business unit

Biobased Ingredients	€ 155.0 million
Biobased Innovations	-€ 4.7 million

Number of employees (FTE)

By unit

Business units	419	25%
Biobased Ingredients	*391*	93%
Biobased Innovations	*28*	7%
R&D	90	5%
Operations	988	59%
Support functions	176	11%

By region

Asia	217	13%
EMEA	601	36%
Latin America	114	7%
North America	741	44%
Total	1,673	

Emissions

Scope I	92	kT CO_2 equiv
Scope II	89	kT CO_2 equiv

Our strategy

Execution of our strategic direction 2015-2018

Our “Disciplined Value Creation” strategy for 2015-2018 focuses on strengthening our core business in ingredients for food and biochemicals (Biobased Ingredients), while leveraging our technology to build new business platforms (Biobased Innovations).
In executing our strategy we are guided by our company compass which articulates our vision for the future and the role that Corbion envisions to play.
Our strategy has a strong focus on cash flows, returns on investments, and profitability.
To enhance value creation we will use a differentiated management and capital allocation approach for our two business units. The strategy provides us with a framework to make choices and decisions and although we are still in the early phases of implementing our strategy, we have made good progress in 2015.

Corbion A differentiated approach	▪ Value creation and disciplined execution ▪ Decision making and capital allocation based on well defined criteria ▪ Enhanced external transparency
Biobased Ingredients Strengthen the core	▪ Focus on cash flow optimization and return on investment ▪ Different priorities for different segments ▪ Productivity improvement program Streamline: € 20 million by 2016
Biobased Innovations Selective drive for growth	▪ Powered by megatrends ▪ Leverage lactic acid molecule and technology into new businesses ▪ Disciplined stage-gate investment approach ▪ Forward integration into PLA
Improved financial performance	▪ Improved free cash flows and return on investment ▪ Focus on shareholder value creation ▪ Higher recurring dividend ▪ 2015: Additional € 100 million return to shareholders ▪ 2016: Additional € 75 million return to shareholders

The strategy allows for a differentiated approach in our Biobased Ingredients and Biobased Innovations business units, tailored to different market circumstances.

Biobased Ingredients Strengthen the core	Strategic choices	Biobased Innovations Selective drive for growth
• Bakery & Meat North America • Chemicals, Pharma, Electronics	Strengthen Invest to defend our position	
• Meat South-East Asia & Brazil • Confectionery • Medical Biomaterials	Grow Invest for growth	• Poly lactic acid (PLA) • Succinic acid • Gypsum-free process • Alternative feedstock
• Dairy • Beverages • Animal health • Coatings, adhesives, sealants, and elastomers (CASE)	Explore Invest selectively	• 2,5-Furandicarboxylic acid (FDCA)

Biobased Ingredients: Strengthen the core

Our Biobased Ingredients business is the core of our company. Our aim is to create sustainable value for our customers by supplying functional ingredients and safe performance chemicals building on our existing technology platforms, with profitable growth for Corbion. We will strengthen our core by focusing on our key customers within selected markets and target those markets through differentiated approaches. In 2015 we focused our efforts on addressing specific market needs using our core capabilities, which led to further insights into where we can grow with our value propositions and improve our productivity. We will continue to refine and improve service levels in our various customer segments with the focus on increasing customer satisfaction and loyalty.

Food

Our Food business segment follows a strategy aimed at reinforcing our leading market positions in Bakery (which includes Bread and Sweet Baked Goods) and Meat in North America, driving growth in segments such as Meat in emerging markets and Confectionery, and exploring selected opportunities in Dairy and Beverages. We will accomplish this by leveraging our core technologies (lactic acid, emulsifiers, functional blends) and capabilities in structural and anti-microbial control. In 2015 we successfully introduced new dough conditioning solutions for the Bakery segment and launched a series of clean label products for the North American Meat industry. The European patent we received for our unique coating technology applied in sugar confectionery, strengthens our position as an industry expert. Following the egg shortage in the US market due to the avian flu, we have expanded our egg replacer portfolio for Sweet Baked Goods combining market insight with our product and application know how.
In response to new regulation by the US Food and Drug Administration we introduced our Ensemble Non-PHO emulsifier portfolio. In April we acquired the lactic acid business from Archer Daniels Midland (ADM) strengthening our position in the North American lactic acid market. This is a good example of how we strengthen our business with bolt-on acquisitions.

Biochemicals

In Biochemicals we focus on enhancing customer value and loyalty in markets we actively select. In Chemicals, Electronics, Home and Personal Care, and Pharmaceuticals we aim to strengthen our positions in specific actives and solvents. We obtained supplier status under the Biocidal Products Regulation for our Spanish plant, thus strengthening our position in Home and Personal Care. With two plants now approved (Spain and the Netherlands) we can meet the growing needs from our home and personal care customers for natural solutions. We intend to further grow our presence in Medical Biomaterials, especially in orthopedic and drug delivery applications through our specialty polymers. The start-up of our new factory in Tucker, GA, US and the joint venture with MedinCell for the supply of PEG (polyethylene glycol) and PLA (poly lactic acid) based co-polymers in the field of controlled release drug delivery will further enhance our position in Medical Biomaterials.

We are exploring opportunities in CASE (coatings, adhesives, sealants, and elastomers) where we, in cooperation with Perstorp have developed a co-polymer based on our lactide technology that delivers superior benefits in adhesives, on top of reducing the carbon footprint and increasing the biobased content and product safety. Next to that we have strengthened our position in the Asian Pharma market through the acquisition of the Malladi lactic acid business in India, which creates a new platform for growth in the region.

Productivity improvement program "Streamline"

In order to deliver structural productivity improvements in all our processes, we have initiated the "Streamline" program to align the organization with the portfolio choices, simplify our business processes, optimize our manufacturing footprint, and drive competence development in commerce (enhanced customer loyalty), operations (world-class operations), innovation (accelerated innovation), and people (leadership and engagement). In all of these areas we have conducted projects in 2015, including the implementation of CRM, the optimization of our sales and operations planning, the alignment of our innovation programs with customer opportunities, and the set-up of talent review and succession planning programs.

The majority of the targeted € 20 million in savings from our productivity improvement program have been achieved in 2015, rather than in 2016, which underscores our focus on execution and our disciplined approach. The consolidation of our two US powder plants (integration of Kansas Avenue into our Totowa plant) is still underway and will be completed in 2016.

Biobased Innovations: Selective drive for growth

Our Biobased Innovations business unit builds new biotechnology business platforms, using our capabilities in fermentation and downstream processing and our in-depth knowledge of the lactic acid molecule. We have a portfolio of large growth opportunities which require high investments, the exact timing of which is difficult to predict. In this business unit we will drive growth via a disciplined capital investment approach, de-risking via upfront commercial commitments, market development, and/or partnering, and a strict stage-gate process.

As part of our strategy we are making the next step in the bioplastics value chain by becoming a PLA producer. In May 2015, we secured upfront customer commitment by signed letters of intent for one-third of the volume of a 75 kTpa PLA polymerization plant. Meanwhile, we have tested, validated, and started to sell pre-marketing volumes of PLA. Making these pre-marketing resins available will accelerate market acceptance of PLA and will allow Corbion to get deeper insight into the various product-market combinations. The pre-engineering for this plant has been completed and market needs and required technology are confirmed. We have entered the basic-engineering phase and expect to start the construction later in 2016, with a target start up in 2018.

To ensure a long-term sustainable lactic acid technology we completed the demonstration phase of our gypsum-free process in the past year. This has given us the confidence that this process will work on an industrial scale and has provided us with new insights into how to further reduce the operating cost of the process. In 2015 we also succeeded in producing high-grade lactic acid from alternative feedstocks as a basis for PLA resin. Alternative or second-generation feedstocks are lignocellulosic biomass or woody crops, agricultural residues, or waste, such as bagasse, corn stover, and wheat straw. Corbion is the first company in the world to have made PLA from alternative feedstocks, optimizing the lactic acid fermentation process to fit the special characteristics of the biomass. In the future, these alternative feedstocks can have a major impact on the biochemical and bioplastics industries and, combined with our gypsum-free technology bring us a step closer to produce organic acids with superior resource and land use efficiency.

We have developed a proprietary process to produce 2,5-Furandicarboxylic acid (FDCA) from renewable resources. In 2015 we demonstrated our capability to produce the polymer PEF, based on FDCA. We have also proven the excellent barrier properties of the derived polymer compared to PET. In 2016 we are scaling up the FDCA process at pilot scale as next step in our development process.

Together with BASF, Corbion operates the joint venture Succinity for the production and sales of biobased succinic acid. In 2014, the proprietary process for the production of biobased succinic acid was demonstrated. For 2015 two major goals were set: further optimizing the current process and producing sufficient quantities of succinic acid to meet customer demand. Both targets have been met. The main focus in the coming period will be the further development of the technology and ensuring the availability of cost-competitive biobased succinic acid in line with market growth.

Improved financial performance

Our “Disciplined Value Creation” strategy is starting to pay off, resulting in an overall better financial performance in 2015. Our business unit Biobased Ingredients showed full-year sales growth at the upper end of the guidance range of 2-4%. The Food business segment ended up above the guidance range of 1-3% for the full year. In business segment Biochemicals, due to the more difficult comparison and a significant reduction in feed acidifiers, we ended up below the guidance range of 5-8%. In Biobased Innovations our disciplined stage gate approach and good sales development of our PLA/lactide portfolio kept the EBITDA loss well below our projected maximum.

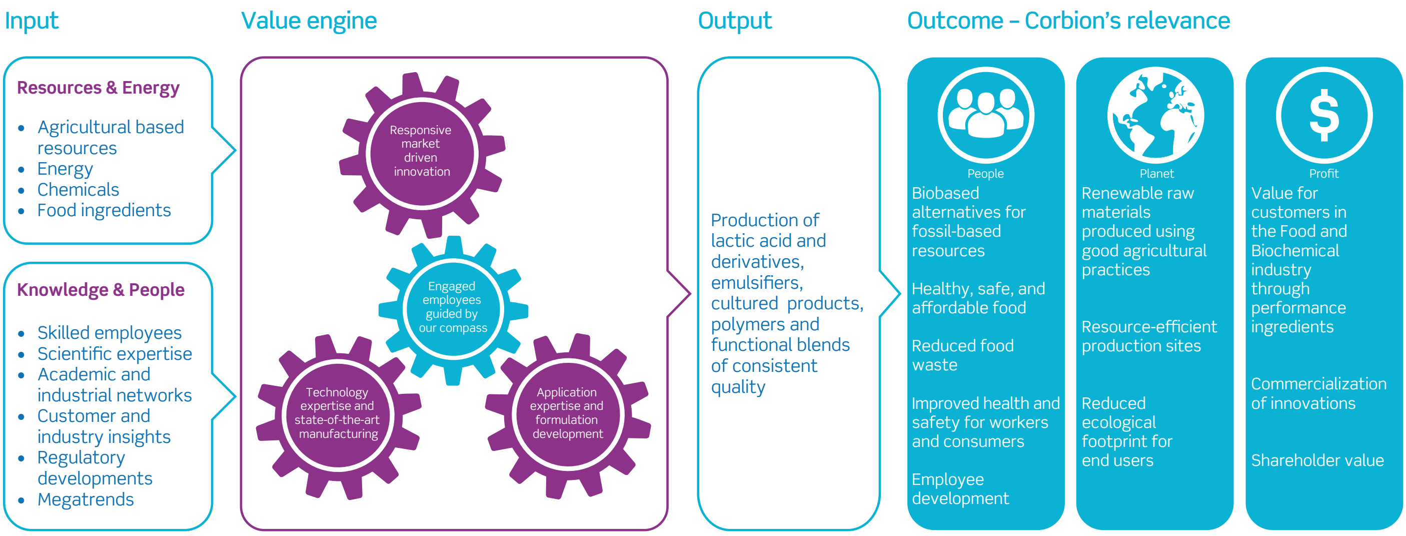
	Guidance 2015-2018	2015
Biobased Ingredients		
Net sales CAGR total	2-4%	3.3%
Net sales CAGR Food	1-3%	3.7%
Net sales CAGR Biochemicals	5-8%	1.6%
EBITDA margin	> 18% in 2018	17.3%
ROCE	>15%	19.2%
CAPEX	€ 35 million per annum	€ 47.2 million
CAPEX plant consolidation	€ 10 million in total	€ 7 million
Biobased Innovations		
EBITDA	< - € 14 million	- € 4.7 million
CAPEX	€ 20 million per annum	€ 7.6 million
Total Corbion		
Net debt/EBITDA ratio	1.5x	0.4x

The € 50 million share buyback program that commenced on 2 March 2015 was completed on 30 September 2015. Under this program, a total of 2,487,296 ordinary shares have been repurchased at a volume weighted average price of € 18.4940 per share, totaling € 46.0 million and 170,500 financing preference shares (FPA, FPB, and FPC series) at par totaling € 4.0 million. All repurchased shares have been cancelled before the end of 2015. The share buyback program was part of our commitment to return € 100 million in 2015 to shareholders through a € 50 million share buyback program and € 50 million in additional cash dividend, which was distributed on 12 June 2015.

How Corbion creates value for people, planet, and profit

Our "Disciplined Value Creation" strategy is aimed at creating value for all stakeholders, balancing people, planet and profit. We use raw materials, energy, knowledge, and people as input for our value engine. Our value engine is powered by our employees, who are guided by our purpose, vision, mission and values – Corbion's compass. Our responsive market-driven innovation, our application expertise and formulation development, and our technology expertise and state-of-the-art manufacturing result in the creation of a variety of products. Altogether, our business activities provide benefits for people, planet, and profit and hence contribute to the resolution of global challenges, such as resource scarcity and food security for a growing world population.

The value creation process

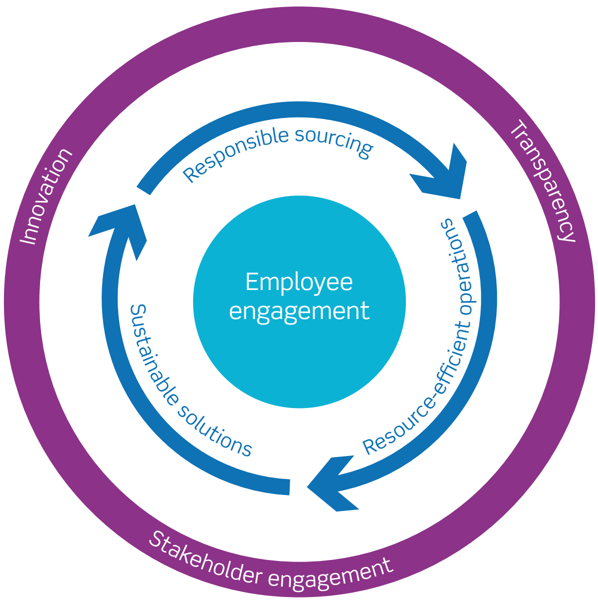


Sustainability framework

In 2015 we added a sustainability framework to our "Disciplined Value Creation" strategy which outlines our key sustainability priorities and ambitions. This framework is based on extensive discussions with internal and external stakeholders and a materiality assessment (for more information on materiality, see the Sustainability statements).
Employee engagement forms the core of our sustainability framework. Our employees are our most important asset and motivated employees, proud to work for Corbion, are critical to achieving our overall strategy and advancing sustainability. Our key sustainability initiatives are responsible sourcing, resource-efficient operations, and sustainable solutions, covering our entire value chain. Responsible sourcing of agricultural raw materials and efficient conversion of these raw materials into a variety of biobased products enable us to provide our customers with sustainable solutions that help them to reduce their environmental footprint. Our biobased

products have different end-of-life options, depending on their application, but are ultimately converted into CO_2 again, which is needed to grow our agricultural raw materials, thereby closing the loop.
Innovation, transparency, and stakeholder engagement are critical enablers ensuring that we make visible progress on our key initiatives and that these initiatives continue to be aligned with stakeholder expectations.

Corbion's sustainability framework - 4 core themes, 3 enablers



Ambitions

Employee engagement

Create an excellent place to work, where our engaged workforce can unleash their potential, passion, pride, and talent to drive sustainable growth for Corbion.

Responsible sourcing

Responsible sourcing of Corbion's main agricultural raw materials.

Resource-efficient operations

Zero waste in Corbion's own operations.

Sustainable solutions

Provide our customers with performance solutions based on renewable resources that enable them to reduce their environmental impact.

For each of these themes, we have formulated ambitions and identified success factors that are critical to realizing them. The progress we make on these determines the extent to which we achieve our ambitions. In 2016, we will continue working on their implementation and define KPIs and targets to measure our progress. For more information see the Sustainability statements.

Our performance

Financial performance

We want to improve the quality of life for people today and generations to come. We do this by developing attractive and profitable solutions with our customers, and engaging with our stakeholders. We measure and report on our financial and sustainability performance.

Key figures

Millions of euros	2015	2014
Net sales	918.3	770.1
Operating result	108.6	12.9
EBITDA excluding one-off items	150.3	109.6
Result after taxes	80.2	-18.3
Earnings in euros [1] *	1.29	-0.34
Diluted earnings in euros [1] *	1.28	-0.33
Key data per common share		
Number of issued common shares	59,904,209	62,041,761
Number of common shares with dividend rights	59,420,763	61,557,106
Weighted average number of outstanding common shares*	60,380,489	61,759,190
Price as at 31 December	22.32	13.82
Highest price in calendar year	22.91	17.27
Lowest price in calendar year	12.70	10.56
Market capitalization as at 31 December	1,326	851
Other key data		
Cash flow from operating activities	110.3	66.8
Cash flow from operating activities per common share, in euros [1] *	1.79	1.04
Depreciation/amortization fixed assets	45.9	44.1
Capital expenditure on (in)tangible fixed assets	67.5	62.5
Number of issued financing preference shares	2,403,781	2,574,281
Equity per share in euros [2]	7.89	7.93
Ratios		
ROCE % [3]	19.2	12.6
EBITDA margin % [4]	16.4	14.2
Result after taxes/net sales %	8.7	-2.4
Number of employees at closing date (headcount)	1,673	1,860
Net debt position/EBITDA [5]	0.4	-0.1
Interest cover [6]	25.5	23.8
Statement of financial position		
Non-current assets	469.8	433.1
Current assets excluding cash and cash equivalents	246.1	239.1
Non-interest-bearing current liabilities	134.9	129.8
Net debt position [7]	62.1	-5.8

Millions of euros	2015	2014
Provisions	31.1	39.5
Equity [8)]	487.8	508.7
Capital employed [9)]	549.9	502.9
Average capital employed [9)]	541.9	505.2
Balance sheet total : equity	1:0.6	1:0.6
Net debt position : equity	1:7.9	1:-87.7
Current assets : current liabilities	1:0.4	1:0.6

* *previous year has been restated for stock dividend*

1) *Per common share in euros after deduction of dividend on financing preference shares.*

2) *Equity per share is equity divided by the number of shares with dividend rights.*

3) *Return on capital employed (ROCE) is defined by Corbion as continued EBIT excluding one-off costs, including results from joint ventures and associates, divided by the average capital employed x 100. Prior-year figure has been adjusted to reflect ROCE based on continued figures.*

4) *EBITDA margin % is EBITDA excluding one-off costs divided by net sales x 100.*

5) *EBITDA is Earnings Before Interest, Taxes, Depreciation and Amortization and impairment of (in)tangible fixed assets including acquisition/divestment results and discontinued operations, and excluding one-off costs.*

6) *Interest cover is EBITDA as defined in Note 4 divided by net interest income and charges.*

7) *Net debt position comprises interest-bearing debts less cash and cash equivalents.*

8) *Without the additional shareholder return in 2015 the pro forma equity for 2015 would have been € 587.1.*

9) *Capital employed and average capital employed are based on balance sheet book values.*

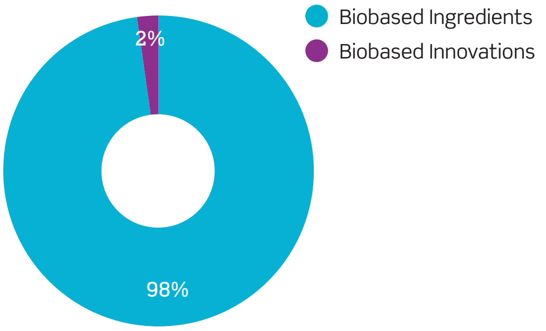
Results

Net sales

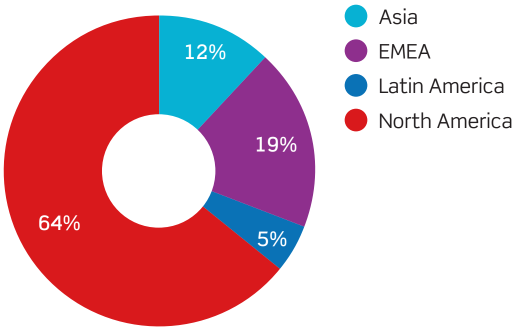
Net sales in 2015 increased by 19.2% to € 918.3 million (2014: € 770.1 million) driven by currencies (13.5%), organic growth (4.6%), and acquisitions (1.1%). Exchange rate movements impacted the sales figures positively by € 104.0 million, mainly driven by a stronger US dollar. The acquisition impact is related to our acquisition of the Archer Daniels Midland (ADM) lactic acid business, effective as of 31 March 2015.

Organic growth in the Biobased Ingredients business unit of 3.3% was for a large part driven by the Food business segment. In Food, volume growth was the main driver of the 3.7% organic growth. In the Biochemicals business segment, price/mix increased by 2.6% due to growing Medical Biomaterials sales and a lower contribution of feed acidifiers. Volume growth in Biochemicals was negative, due to a decrease in feed acidifiers and petrochemical-related segments. Growth in Biobased Innovations was mostly driven by lactide and PLA sales.

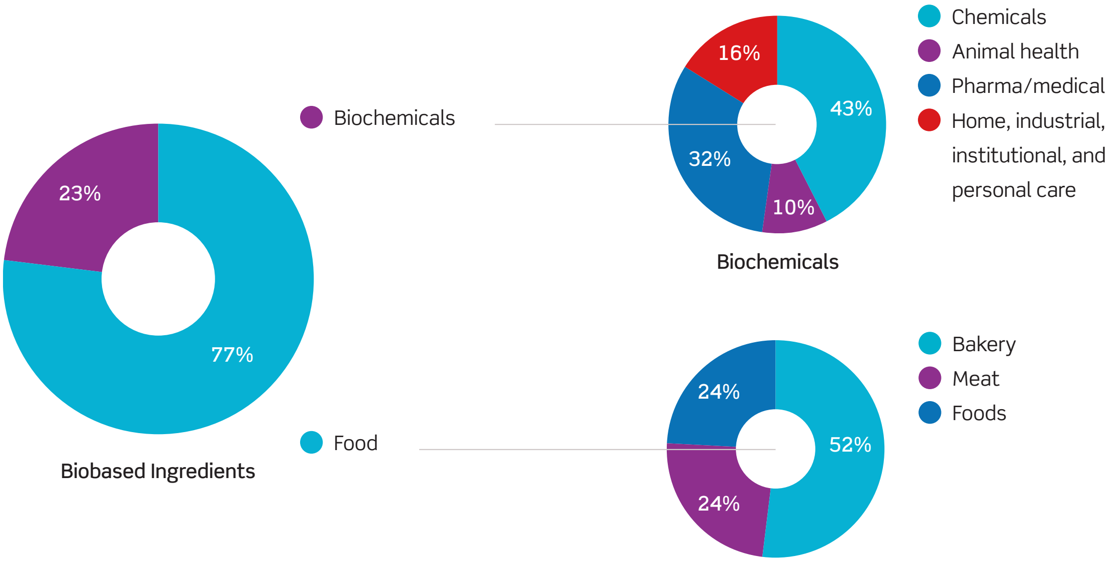
Net sales 2015



By business unit



By region



Biobased Ingredients

Biochemicals

Food

Source: Company data

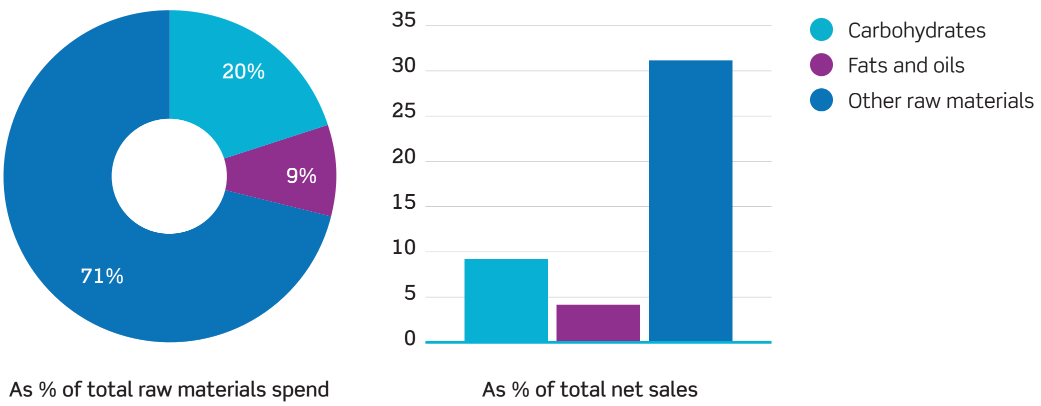
Full year 2015 compared to full year 2014

	Total growth	Currency	Total growth at constant currency	Acquisitions	Organic	Price/mix	Volume
Biobased Ingredients	17.9%	13.5%	4.4%	1.1%	3.3%	1.6%	1.7%
- Food	*19.9%*	*14.9%*	*5.0%*	*1.3%*	*3.7%*	*1.3%*	*2.4%*
- Biochemicals	*11.6%*	*9.4%*	*2.2%*	*0.6%*	*1.6%*	*2.6%*	*-1.0%*
Biobased Innovations	119.6%	12.9%	106.7%	0.0%	106.7%	48.2%	58.5%
Total	19.2%	13.5%	5.7%	1.1%	4.6%	2.3%	2.3%

Expenses
Overall our fixed expenses have been decreased driven by program “Streamline”. “Streamline” had a favorable impact of € 15 million compared to 2014. Fixed costs were negatively impacted by absorption impact, higher variable incentive compensation, and currency effects.

Raw materials
Compared to 2014, carbohydrates made up a smaller percentage of our overall raw material spend in 2015 due to reducing sugar and corn prices. The price of soy bean oil was lower than in 2014, resulting in a lower fats and oils percentage of net sales. The increase in percentage in other raw materials is mainly caused by higher egg and folic acid prices.

Raw materials breakdown



Source: Company data

EBITDA
EBITDA (excluding one-off items) increased by 37.1% to € 150.3 million which included a positive currency impact of € 21.1 million. Biobased Ingredients saw its EBITDA increase by 27.9% driven by currencies and organic growth (due to volume growth and positive price/mix effect). “Streamline” contributed € 15.0 million to the EBITDA growth. The EBITDA increase in Biobased Innovations was mainly driven by higher sales.

Millions of euros	2015	2014
Biobased Ingredients	155.0	121.2
- Food	*129.2*	*105.5*
- Biochemicals	*45.5*	*38.2*
- Central costs	*(19.7)*	*(22.5)*
Biobased Innovations	(4.7)	(11.6)
EBITDA excluding one-off items	150.3	109.6
One-off items	5.9	(14.8)
EBITDA	156.2	94.8
EBITDA excluding one-off items and acquisitions at constant currencies	127.4	109.6

Biobased Ingredients

Millions of euros	2015	2014
Net sales	895.9	759.9
Organic growth	3.3%	2.5%
EBITDA	160.9	109.0
EBITDA excluding one-off items	155.0	121.2
EBITDA margin excluding one-off items	17.3%	15.9%
ROCE	24.8%	19.8%
Average capital employed	478.1	433.2

The Biobased Ingredients business unit showed volume growth of 1.7% in 2015, mostly driven by 2.4% volume growth in the business segment Food. In 2015 net sales increased by 17.9% with currencies having a significant positive effect of 13.5%. The acquisition of the ADM lactic acid business contributed 1.1% to overall sales growth.

Business segment Food

Millions of euros	2015	2014
Net sales	687.8	573.5
Organic growth	3.7%	-0.5%
EBITDA	135.1	97.2
EBITDA excluding one-off items	129.2	105.5
EBITDA margin excluding one-off items	18.8%	18.4%

In 2015, the Food business segment showed organic growth of 3.7%, driven by increasing volumes versus last year (2.4%), accompanied by a positive price/mix effect of 1.3%.

Bakery sales (52% of Food sales) increased as a small recovery in volumes was supported by price increases following an increase in raw material prices (e.g. egg powder and folic acid). This performance was in line with the North American bakery market, which increased slightly in 2015.
The final stage of our “Streamline” program, the consolidation of our powder blending plants in Kansas and New Jersey, has not been completed yet. The consolidated production volumes in the New Jersey plant have not been at a satisfactory level yet, requiring us to postpone the closure of the Kansas plant until later into 2016. However, in line with guidance, we do not

expect this to impact the realization of the € 20 million “Streamline” savings on a run-rate basis before year-end.

Meat sales (24% of Food sales) increased significantly in 2015 with growth being supported by all regions. North America, responsible for more than half of Meat sales, performed better than initially expected as customer switching to low-cost-in-use (LCiU) solutions, which has a negative impact on volumes sold, was limited. Growth in emerging markets, most notably Latin America, was strong.

In Beverages, Confectionery, and Dairy (combined 24% of Food sales), growth in 2015 was slightly negative mainly as a result of difficult market conditions and the adverse impact of the incident at the Grandview production site.

Business segment Biochemicals

Millions of euros	2015	2014
Net sales	208.1	186.4
Organic growth	1.6%	12.6%
EBITDA	45.5	36.2
EBITDA excluding one-off items	45.5	38.2
EBITDA margin excluding one-off items	21.9%	20.5%

Sales growth in the Biochemicals business segment was subdued in 2015 due to a significant decrease in lower cost/lower price feed acidifiers compared to 2014, and the adverse impact of the Grandview incident. Medical Biomaterials, Pharma, and Electronics continued to perform well over the year.

Central costs

Millions of euros	2015	2014
EBITDA	(19.7)	(24.4)
EBITDA excluding one-off items	(19.7)	(22.5)

Central costs improved versus last year, partly due to “Streamline” benefits.

Biobased Innovations

Millions of euros	2015	2014
Net sales	22.4	10.2
Organic growth	106.7%	96.4%
EBITDA	(4.7)	(14.2)
EBITDA excluding one-off items	(4.7)	(11.6)
EBITDA margin excluding one-off items	-20.8%	-113.2%
Average capital employed	63.8	72.0

Biobased Innovations grew strongly by 106.7% in 2015. In order to further accelerate market adoption of PLA, we have begun to test, validate, and sell pre-marketing volumes of PLA. In May 2015 we reached an important milestone for the construction of a new 75 kTpa plant, having secured upfront customer commitment for at least one-third of plant capacity. Early 2016 we also successfully concluded the pre-engineering phase of the project. Subsequently we decided to proceed with the PLA investment in Thailand. The lower EBITDA loss in 2015 compared to last year was mostly due to the strong organic sales growth in lactide/PLA, particularly in high-value-add, high-heat-stable applications. R&D expenses in Biobased Innovations increased in 2015 compared to 2014, the incremental spending having been mostly allocated to PLA.

Depreciation and amortization

Depreciation and amortization amounted to € 45.9 million (2014: € 44.1 million).

Operating result

Operating result excluding one-off items increased by € 39.0 million, or 60.0%, to € 104.5 million in 2015 (2014: € 65.5 million).

One-off items

One-off items in 2015 were a positive amount of € 4.1 million in operating result, most of which was related to the incident at the Grandview production site in March 2015. One-off gains exceeded one-off costs as the included insurance proceeds are recognized in the income statement, rather than being capitalized as to the related capital expenditures.

Financial income and charges

Net financial charges decreased by € 3.6 million to € 5.8 million in 2015 as 2014 included an impairment of an equity investment.

Taxes

The tax charge on our operations in 2015 amounted to € 22.0 million (21.6% of profit before tax). Excluding one-off items, the effective tax rate would have been 24.1%. Going forward, an effective tax rate in the range of 25-30% is expected.

Statement of financial position

Capital employed including goodwill increased, compared to year-end 2014, by € 47 million to € 549.9 million at year-end 2015. The movements in 2015 were:

Millions of euros	
Capital expenditure on (in)tangible fixed assets	67.5
Depreciation / amortization / impairment of (in)tangible fixed assets	-47.6
Disposal of fixed assets	-5.4
Change in operating working capital	-1.0
Change in provisions and other working capital	19.5
Tax positions	-0.8
Exchange rate differences	15.5
Other	-0.7
Total movement in capital employed including goodwill	47.0

Major capital expenditure projects in 2015 were the investments in the production line reconstruction after the Grandview incident, the construction of an acid powder production line, investments in our US emulsifiers plant to eliminate partially hydrogenated oils from our products, and investments in our Totowa plant to facilitate the consolidation of our Kansas plant production.

Operating working capital increased by € 7.5 million to € 160.2 million. This increase is due to a currency effect of € 8.5 million. Excluding this currency effect, operating working capital would have decreased by € 1.0 million.

Shareholders' equity decreased by € 20.9 million to € 487.8 million. The movements were:

- The positive result after taxes of € 80.2 million.
- A decrease of € 50.0 million related to the share buyback.
- A decrease of € 58.4 million related to the dividend for financial year 2014 and the extraordinary cash dividend.
- Positive exchange rate differences of € 9.0 million due to the translation of equity denominated in currencies other than the euro.
- Share-based remuneration costs charged to the result of € 1.2 million.
- Positive movement of € 2.9 million in the hedge reserve.
- Negative effects of defined benefit plan and tax effects of € 5.8 million.

At year-end 2015 the ratio between statement of financial position total and equity was 1:0.6 (year-end 2014: 1:0.6).

Cash flow/financing

Cash flow from operating activities increased versus 2014 by € 43.5 million to € 110.3 million. This is the balance of the higher operational cash flow before movements in working capital of € 60.7 million, a negative impact of the movement in working capital and provisions of € 1.9 million, and higher taxes and interest paid of € 15.3 million.

Cash flow from investment activities decreased versus 2014 by € 18.9 million to € 55.1 million. Capital expenditures accounted for most (€ 60.1 million) of this cash outflow, partly compensated by cash inflow from divestment of tangible fixed assets.

Free cash flow defined as cash flow from operating activities and cash flow from investment activities increased by € 62.4 million to € 55.2 million.

The net debt position at the end of 2015 was € 62.1 million, an increase of € 67.9 million compared to year-end 2014 € 5.8 million net cash position, mainly due to capital expenditures, the extraordinary cash dividend payout and the share buyback, partly compensated by the positive cash flow from operating activities.
At the end of 2015, the ratio of net debt to EBITDA was 0.4x (end of 2014: -0.1x). The interest cover for 2015 was 25.5x (end of 2014: 23.8x). We continue to stay well within the limits of our financing covenants.

Reservation and dividend policy

Corbion's reservation policy is aimed at creating and retaining sufficient financial capacity and flexibility to realize our strategic objectives while maintaining healthy balance sheet ratios. Corbion intends to add or charge the profit or loss to the company reserves after payment of the statutory dividend on financing preference shares and after deduction of the proposed dividend on common shares. Events such as financing requirements, acquisitions, divestments, reorganizations, or other strategic considerations can lead to adjustments in the reservation and the reservation policy.

As regards Corbion's dividend policy, the amount of dividend on common shares and the type of dividend that the company will pay to its shareholders depend on the financial results of the company, the market environment, the outlook, and other relevant factors. The current dividend policy is to pay out 35-45% of net profit adjusted for one-off items. Periodically Corbion will review its debt position in relation to the investment plans, and decide upon potential further distributions.

Dividend and share buyback proposal

Upon adoption of the financial statements, holders of financing preference shares will receive the statutory dividend. A proposal to distribute a regular dividend of € 0.43 per common share will be submitted for approval to the General Shareholders' Meeting to be held on 12 May 2016. This is 35% of our net profit excluding one-off items. Shareholders will receive this dividend, charged to the Corbion reserves, in cash.

In addition to the regular dividend on common shares, € 25 million is proposed to be distributed as an additional cash dividend of € 0.42 per common share, at the same time as the regular dividend. The proposed additional dividend on common shares will also be submitted for approval to the General Shareholders' Meeting to be held on 12 May 2016.

Corbion also plans to distribute € 50 million to shareholders in 2016 through a share buyback program to be commenced in March 2016 and to be completed before the end of 2016.

Outlook 2016

We remain confident about our indicated 2015-2018 guidance range. Even though market conditions could become more difficult in 2016, our global exposure is geared towards mature markets, which should dampen the impact of a slowdown. For the Food business segment we expect a continued steady sales growth pattern, while the Biochemicals business segment is expected to show improved sales growth from the second quarter onwards. We expect our “Streamline” program to reach its target annual savings level of € 20 million on a run-rate basis before the end of 2016. Volatility in Biobased Innovations EBITDA will remain high due to irregular product and sales order patterns and spend phasing of our major innovation initiatives.

Sustainability performance

Employee engagement

Strategies and structures do not work.... People do!
Therefore we want to create an excellent place to work, where our employees can unleash their potential, passion, pride, and talent to drive sustainable growth for Corbion.

We do this by supporting our people in the best way possible guided by the following principles:

- Attract, deploy, and develop people on the basis of the talent and leadership required for current and future jobs.
- Encourage and support opportunities for further business and personal growth, and offer challenging career opportunities.
- Reward performance using an international-market-competitive remuneration framework.
- Provide a working environment where our engaged workforce can unleash their potential, passion, pride, and talent.

The updated strategy called for a redesign of our organizational model and a further simplification of the structures to increase effectiveness and accountability. In line with this we streamlined our organization, resulting in the loss of some 200 jobs across the company equaling more than 10% of the existing workforce. This streamlining process entailed considerable changes for all our employees in ways of working and reporting lines. Strong engaging leadership guidance and support has been crucial for our transition. To support this transition we have introduced a new performance management system and fully embedded the regular review and succession planning of talent throughout the business.
We have defined four key Corbion behaviors (set clear direction, make the difference, focus on customers, and deliver through teamwork) to support us in enhancing engagement and empowerment. A key success factor will be the achievement of the right level of engagement of all employees and the creation of a culture focused on execution and innovation. An annual cycle has been launched comprising an engagement survey, action planning and survey based "pulse checks". In 2015 a first survey has taken place with a staff response rate of 80%. Early 2016, we will be conducting a second survey, giving a first indication of the progress made so far and setting the course and direction of our engagement effort for the rest of the year.

Responsible sourcing

A significant part of the environmental and social impact in our value chain is upstream of our own operations. To safeguard an overall positive environmental and social impact of our biobased products, we therefore need to ensure our supply chain is sourced in a responsible way. In 2015 we aligned our responsible sourcing strategy with the updated Corbion strategy. We will tackle our raw materials with the largest business impact and the highest sustainability risks first. Based on a risk assessment, we have determined the following priority crops: sugar cane, soy, corn, wheat, and palm. Together these crops represent about 90% of our agricultural-derived raw materials by quantity.

We have defined generic mandatory requirements for all of our raw materials, as specified in our supplier code. We have updated our supplier code this year and are now requesting our suppliers to sign it for confirmation. We are currently working on the integration of sustainability criteria into our supplier risk assessment, and will include sustainability criteria in the evaluation of new suppliers from 2016 onwards.
Our target for 2016 is to develop specific policies for our priority raw materials, which will focus on continuous improvement towards the implementation of the relevant sustainability standard for each of these raw materials such as Bonsucro (for sugar cane) and RSPO (for palm oil).

Resource-efficient operations

We want to produce our products in the most efficient way possible. Minimizing the use of raw materials and energy has always been a priority, both from environmental and cost perspective. In our more than 80 years history, we have continuously improved our yield and reduced our use of energy, and we will continue to do so. Our new “Zero waste” ambition focuses on the reduction of waste by closing resource loops and on the valorization of all our by-products, to maximize the value that we generate from the resources that we consume. This ambition contributes to the shift from a linear economy, based on a “take-make-dispose” system to a circular economy that is waste-free and regenerative by design.
Our resource-efficiency KPIs measure the performance of all of our operations on energy usage, water consumption, waste generation, and emissions. All of our sites focus on continuous improvement of these KPIs and each year, specific improvement projects are carried out.

Energy

- Our energy usage per ton of production decreased significantly (7%) to 5.33 GJ/T. Overall energy usage decreased only slightly to 2.58 GJx10^6, due to an increased production volume.
- At our site in Montmeló (Spain), we carried out a project to increase the efficiency of the boilers, resulting in a significant reduction in the consumption of natural gas.
- Our new research center in the Netherlands (Gorinchem) is partially powered by solar cells installed on the roof.

Emissions

We report our emissions in carbon equivalents from cradle to gate in accordance with the Green House Gas Protocol. This includes scope I emissions from direct production (for natural gas and fuel oil), scope II emissions from purchased energy (for electricity and purchased steam), and scope III emissions related to purchased goods and services, fuel and energy-related activities, upstream transportation, business travel, capital goods, and employee commuting.

- Total scope I emissions per ton of production decreased by 7% to 0.19 T CO_2 equiv /T. Overall scope I emissions remained stable at 92 kT CO_2 equiv.
- Total scope II emissions per ton of production decreased by 9% to 0.18 T CO_2 equiv /T. Overall scope II emissions decreased to 89 kT CO_2 equiv.
- Total scope III emissions per ton of production decreased by 4% to 1.17 T CO_2 equiv /T. Overall scope III emissions increased to 565 kT CO_2 equiv., due to the increased production volume in 2015.

Water

- Our water consumption per ton of production increased by 3% to 0.92 m3x10^3/T. Overall water consumption increased to 448 m3x10^3. This increase is due to the increased use of our gypsum-free demonstration plant in Gorinchem, which is not yet optimized for water usage.
- We have significantly reduced the use of both municipal and ground water at our site in Montmeló (Spain).

Waste

- Total waste generated per ton of production remained stable at 0.034 T/T. Overall waste production increased to 16.5 kT, due to an increased production volume.
- Hazardous waste per ton of production increased to 0.0015 T/T. Overall hazardous waste increased to 0.73 kT. This increase is due to the increased use of our gypsum-free demonstration plant in Gorinchem. Due to inefficiencies during testing and its batch-wise operation, this demonstration plant generates a small amount of hazardous waste.
- The recycling program at our site in East-Rutherford, which was started in 2013, resulted in a 69% reduction in waste sent to landfill. This was achieved by the implementation of cardboard recycling and by re-use of scrap waste for feed production.

By-products

In our manufacturing processes, we generate several side streams to remove impurities and obtain a high-quality product. Many of these side streams contain valuable components and we have been able to find outlets for most of them. An example is gypsum, a by-product in our lactic acid production process. Gypsum has many industrial applications, amongst others, in building and construction, as mineral filler, as oxidizing agent, and in agriculture. A significant amount of the gypsum that we produce is used in agricultural applications and in the cement industry, replacing the use of mined, virgin gypsum.

- Overall generation of by-products remained stable at 402 kT.
- Total landfilled by-product increased to 211 kT. Due to quality issues, not all of our gypsum could be re-used, and had to be sent to landfill instead.
- In 2016, process adjustments to improve gypsum quality will be tested in a pilot trial.

Category [1]		Unit	2015	2014
Production volume		kT	485	452
Energy	Electricity	GJx10^3	469	469
	Heating	GJx10^3	1643	1646
	Steam	GJx10^3	473	479
	Total	**GJx10^6**	**2.58**	**2.59**
	Total, specific	**GJ/T**	**5.33**	**5.74**
Emissions	Scope I	kT CO_2 equiv	92	92
	Scope II	kT CO_2 equiv	89	91
	Scope III	kT CO_2 equiv	565	550[2]
	Scope I, specific	T CO_2 equiv/T	0.19	0.20
	Scope II, specific	T CO_2 equiv/T	0.18	0.20
	Scope III, specific	T CO_2 equiv/T	1.17	1.22
Water consumption		m3x10^3	448	404
	Specific	m3x10^3/T	0.92	0.89
Waste (total)	Recycled	kT	8.5	10.3
	Incinerated	kT	1.8	1.5
	Landfilled	kT	6.2	3.6
	Total	**kT**	**16.5**	**15.4**
Waste (hazardous [3])	Recycled	kT	0.41	0.29
	Incinerated	kT	0.27	0.17
	Landfilled	kT	0.06	0.10
	Total	**kT**	**0.74**	**0.56**
By-products	Recycled	kT	184	390
	Incinerated	kT	6.7	4.6
	Landfilled	kT	211	3.4
	Total	**kT**	**402**	**398**

1) In 2015, we have reviewed and adjusted our KPIs, based on our updated materiality matrix according to the GRI-G4 guidance.
2) Restated because of the addition of an additional category (capital goods).
3) Hazardous waste is processed externally.

Sustainable solutions

It is our ambition to provide our customers with performance solutions based on renewable resources that enable them to reduce their environmental impact. Corbion's products for the Food and Biochemical industries provide our customers not only with functional, but also sustainability benefits. Our solutions for shelf-life extension can optimize distribution and reduce food waste, both resulting in a reduction of related greenhouse gas emissions. Our PLA bioplastics are 100% biobased, with a low carbon footprint and are more resource efficient through low carbohydrate usage

In 2015 we have identified the success factors that are critical to realizing this ambition. Insight into the environmental impact of our solutions is obviously a pre-requisite, and we assess this as part of our innovation process. This year, we have performed qualitative assessments for all product and process development projects that entered our innovation funnel. Quantitative assessments, including a Life Cycle Assessment (LCA), have been performed for a number of specific projects and are typically done at a later stage in the funnel, when the product and process design is fixed and more detailed information is available. This information is also shared with potential customers, for instance to show them how our solutions can help them to reduce their carbon footprint. In 2016 we will extend our sustainability assessment to application development, while continuing assessments of our existing commercial products.

Sustainability foundations

To realize our sustainability ambitions, a strong foundation is required, which we have built over many years. Health and safety, human rights, quality and product safety, and customer satisfaction are qualifiers of our business.

Health and safety

We are committed to providing a safe work environment for our employees and other stakeholders. First and foremost, all of Corbion's facilities comply with the applicable laws and regulations in the countries and communities where we operate.
Because of the importance of our employees' wellbeing, we have adopted two Corbion safety tenants:

- Every employee returns home each and every day injury free.
- No job is so urgent or important it cannot be done safely.

We believe in a "Zero (accidents) is Possible" culture and at the work place we strive to minimize "At-Risk" behaviors and ensure adherence to all safety policies and procedures. Despite our efforts, we have experienced a significant incident with the explosion in our US Grandview manufacturing facility on 11 March 2015, due to which three employees were taken to the hospital. Our LTI or Lost Time Injury rate per 200,000 hours worked has as a result turned out at 1.9 compared to 0.5 in 2014. The LDR or Lost Day Rate rose from 12 to 56.8. Our employee absentee rate was 1.8% overall compared to 1.9% in 2014. We record and investigate all incidents, including those with contractors, by determining the root cause and implementing prevention measures.

We deploy Environmental, Health, and Safety (EHS) management systems, such as ISO 14001 and OHSAS 18001.

Human rights

We support the United Nations Universal Declaration of Human Rights and the key conventions of the International Labor Organization. We are a signatory of the United Nations Global Compact and integrate these principles into our business activities. Our Code of Business Conduct covers amongst others child and forced labor, discrimination, and freedom of association. All our sites are assessed through Sedex and regularly audited (Sedex Members Ethical Trade Audit). Through our supplier code, we expect our suppliers to respect human rights in their operations.

Quality

We are committed to delivering quality solutions that safely meet our customer expectations and fulfilling our customer promise through quality and manufacturing systems and processes.

In 2015 the main actions included:

- *Ensuring compliance and certifications to meet our customer needs and benchmarking ourselves against industry-adopted standards: ISO 9001, GFSI (BRC, FSCC22000), GMP+, GMP Pharma, FDA Pharma, Halal, Kosher, non GMO.*

All these certifications are present at Corbion. Depending on which markets a given site is supplying, a different set of certifications is applied to meet customer requirements. In all cases these certifications have been obtained. These certifications imply many customer audits mainly by our pharmaceutical customers and our large food clients. In all cases the observations made during the audits were followed up.

- *Enforcing a qualitative and swift feedback loop to customer complaints.*

In our customer complaint process, we have embedded the following agreements (against which we measure ourselves):

- Reaction to any customer complaint within 2 working days (acknowledgement of receipt)
- Effectuation of a root cause analysis within 14 working days for all complaints
- Root cause analysis report to the customer and corrective and preventive actions (CAPA) put in place within 28 working days.

We have been able to meet these timelines in most cases for products made in house. However, for the part of our production which is outsourced, the extra step in the process makes it challenging to meet these timelines.

In 2015, the main quality defect still related to transport delays and damages. Our internal quality systems and quality control have been successful in that deliveries of products out of specifications have been an absolute rarity in 2015.

Delivery

To successfully accomplish the delivery of our solutions and services to our customers and meet their needs, we operate from a demand-driven perspective. The measure of our success is our ability to deliver the “perfect order” to the customer. We measure on-time in-full (OTIF) order shipment as a performance indicator for customer satisfaction. In 2015 we have seen a decrease in our OTIF to 93.8% (2014: 98.6%), largely due to the incident in our Grandview facility. Our first time right (FTR) metric was at 99.6% in 2015.

Our governance

Corporate governance

Corbion recognizes the importance of good corporate governance and the principles contained within the Dutch corporate governance code (the "Code"), namely, that a company is a long-term partnership between various parties related to the company. Our management bears overall responsibility for balancing the interests of these parties, mostly with the aim of ensuring continuity of the company. At the same time, Corbion aims to create long-term value for its shareholders. Corbion is committed to embedding the Code principles within the company, thereby abiding by the core concepts of good business practices, integrity, openness, and transparent and well-supervised management. The full text of the Code can be viewed at: www.commissiecorporategovernance.nl.

Compliance with the Code

With the exception of the deviations outlined in the paragraphs below, Corbion endorses and adheres to the principles and best practices of the Code.
Important changes in the corporate governance structure are presented to the General Shareholders' Meeting for discussion. Our corporate governance policy, including the relevant regulations and reports, can be consulted on the Corbion website.

Deviations from the Code

Corbion departs from the provisions of the Code with regard to the possible financing of income tax on vested shares under the share plan by selling part of the vested shares.

With respect to best practice provision II.2.5 of the Code, Corbion applies share ownership requirements instead of holding restrictions. The Supervisory Board believes that a mandatory share ownership leads to a more sustainable build-up and alignment of the interests of the Board members and the shareholders. As long as a member of the Board of Management does not comply with the share ownership requirements, vested shares received under share plans will be kept in a restricted account and cannot be traded.

Regarding its composition, the Supervisory Board always tries to strike the right balance between expertise and experience. A certain degree of age and gender variation may be instrumental in achieving the desired balance in the composition of the Board. In this respect, the profile of Corbion's Supervisory Board deviates from best practice provision III.3.1 of the Code. The required expertise and experience, as well as the availability of the right candidates, are decisive when proposing candidates for (re)appointment.
Corbion pays close attention to diversity including gender diversity in the profiles of new Board of Management and Supervisory Board members in accordance with Section 2:166 Subsection 2 of the Dutch Civil Code, it currently does not strictly follow the recommendation for an explicit target on gender diversity and has not formulated concrete targets in this respect.

There are two other aspects in which Corbion departs from the Code. The members of the Supervisory Board and the Board of Management are appointed by the General Shareholders' Meeting on the basis of nominations by the Supervisory Board. The Corbion Articles of

Association state that the General Shareholders' Meeting can overrule any such nomination by an absolute majority of the votes cast, provided the said majority represents at least one third of the issued capital. In contrast with the Code, no second meeting will be convened if there is no quorum, as a second meeting is not required by law.

The General Shareholders' Meeting may decide to suspend or dismiss a member of the Board of Management or the Supervisory Board by an absolute majority of the votes cast, provided the said majority represents at least one third of the issued capital. This quorum requirement does not apply if the proposal for suspension or dismissal is submitted by the Supervisory Board. In contrast with the Code, no second meeting will be convened if there is no quorum, as a second meeting is not required by law.

Corporate governance statement

The information and statement pursuant to the Decree to determine additional regulations regarding the content of the Report of the Board of Management (*Vaststellingsbesluit nadere voorschriften inhoud bestuursverslag*), have been published on Corbion's website, www.corbion.com (Investor Relations, Corporate Governance).

Structure

Corbion nv is an international holding company as described by Section 153, Subsection 3 under b, of Book 2 of the Dutch Civil Code. The "large company" regime therefore does not apply to Corbion nv. Corporate governance relates to the management and supervision of the company, accountability, and the influence of stakeholders on decision-making.

The Board of Management is entrusted with the management of the company. As per 1 January 2015, certain key officers have been appointed to manage the company together with the Board of Management. The members of the Board of Management and these key officers together constitute the Executive Committee. Under the chairmanship of the Chief Executive Officer, the members of the Executive Committee share responsibility for developing objectives and the strategy, determining the risk profile, and implementing strategic and operational policies. The Board of Management has ultimate responsibility for the company's management and the external reporting and is answerable to shareholders of the company at the annual General Shareholders' Meeting. The independent Supervisory Board oversees and advises the Board of Management. From among its members, the Supervisory Board has appointed an Audit Committee, a Nomination Committee, a Remuneration Committee, and a Science and Technology Committee.

The Board of Management fulfills its duties by promoting the interests of Corbion and its businesses. These interests are understood as the interests of all stakeholders, including customers, shareholders, employees, suppliers, and business and financial partners. Corbion is aware of its corporate and social responsibilities and is deeply committed to protecting the interests of the community. Corbion works on the principle that corporate management should consistently develop and implement corporate policies taking into account the long-term and continuity perspective. Corbion endorses the importance of clear accountability for its policies and the results thereof.

Common shares in Corbion are listed on the Euronext Stock Exchange in Amsterdam. The financing preference shares are not listed. No restrictions apply to the transfer of shares. If a shareholder or group of shareholders acquires 30% or more of the share capital, the said shareholder or group of shareholders is required by law to make an offer for the entire outstanding capital.
Shareholders have voting rights in proportion to the number of shares held.
The annual General Shareholders' Meeting will be held within six months of the close of the

financial year. At this meeting, the Report of the Board of Management and Financial statements drawn up by the Board of Management will be presented for adoption, amongst other things. If requests are received from shareholders who individually or collectively represent at least 1% of the issued capital to place items on the General Shareholders' Meeting agenda, these will be honored provided they are submitted to Corbion at least 45 days prior to the date of the meeting.

Extraordinary General Shareholders' Meetings will be held as often as the Board of Management and Supervisory Board deem necessary. An Extraordinary General Shareholders' Meeting will also be held if one or more shareholders who collectively represent at least 10% of the issued capital submit a written request to this effect to the Board of Management or the Supervisory Board enclosing a detailed list of agenda items. If neither the Board of Management nor the Supervisory Board – which have equal powers in this matter – respond in such a way that this Extraordinary General Shareholders' Meeting can be convened within six weeks of the request, the applicants are at liberty to convene the meeting themselves and appoint a Chairman. With the exception of cases in which a larger majority is required by law or the Articles of Association, decisions at the General Shareholders' Meeting will be taken by an absolute majority of the votes cast. Decisions to amend the Articles of Association and/or dissolve the company may only be taken at a General Shareholders' Meeting in which at least two-thirds of the issued capital is represented and by a majority of at least three-quarters of the votes cast, unless the proposal has been submitted by all incumbent members of the Board of Management with the collective approval of all incumbent members of the Supervisory Board, in which case the decision may be taken by an absolute majority of votes, regardless of the represented capital.

Risk management

Risk management and internal control

Corbion, with its worldwide operations in various markets and jurisdictions, needs to ensure a timely identification and effective management of all significant risks inherent to the execution of its strategy and realization of its objectives. Corbion is committed to the preservation of its reputation, assets, competitive edge, and profits through enterprise-wide risk management (ERM). ERM is the process of systematically identifying, analyzing, evaluating, and treating risks that may impact the achievement of corporate objectives. The Board of Management is responsible for the design, implementation, and operation of Corbion's risk management and internal control system. We have defined a governance model that identifies clear reporting and accountability structures in line with the Dutch corporate governance code.

Risk appetite

Our risk appetite is the amount of risk we are willing to accept to achieve our strategic goals. This requires adequate risk understanding and awareness and insight in their magnitude within the company. The level of risk appetite is set by the Board of Management. For areas that are close to or exceeding our risk appetite, involvement of both senior management and Board of Management will be required. Our risk appetite can be summarized as follows:

Risk category	Risk appetite
Strategic/market risk	Moderate to high: balancing risks and rewards to achieve our growth, innovation, and sustainability objectives
Operational risk	Low: safety issues Moderate: other areas with a focus on improving operational and functional excellence

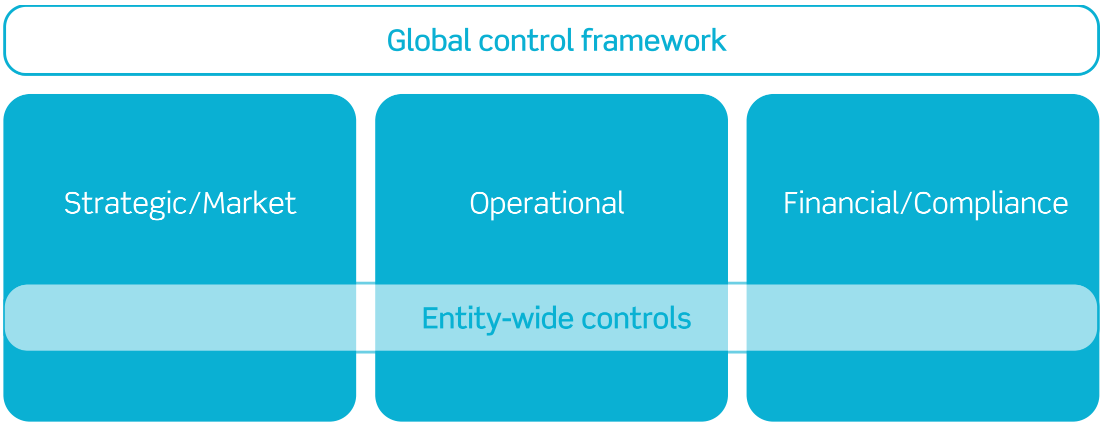
Risk category	Risk appetite
Financial/compliance risk	Low: full compliance with legal and regulatory reporting (including financial reporting)

The impact on EBITDA in millions of euros of a 1% change in net sales, costs, profit, and currency changes and is reflected as follows:

	Change	Approx. EBITDA impact (Millions of euros)
Net sales	+1% / - 1%	+/- 4.0
Gross profit	+1% / -1%	+/- 3.0
Operating costs (= Selling expenses + R&D costs + G&A expenses)	+1% / -1%	+/- 1.5
USD	+1% / -1%	+/- 1.0
YEN	+1% / -1%	+/- 0.2

Risk management approach

Our approach to risk management aims to achieve a reasonable level of assurance, in line with the Enterprise Risk Management framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO – ERM). Our approach aims to embed risk awareness and risk management at all levels of Corbion to ensure risk decisions are taken and evaluated consciously and properly. Our risk management approach covers strategic/market, operational, and financial/compliance risks, which can be illustrated as follows:



To embed risk awareness, constant management attention and communication coupled with risk management workshops are essential to identify critical risks for all our business activities. Awareness, identification of risks, and action plans to mitigate these risks are at the heart of our risk management program. The progress in risk mitigation is discussed on an ongoing basis between business management and Board of Management.

Key risk areas

Below a summary is provided of the main risks that have been identified for Corbion, including possible impact and mitigation measures taken to address them. We make a distinction between Corbion-specific risks and risks of a more generic nature, which are also applicable to Corbion. There may be other risks which are currently unknown to Corbion, or currently believed not to be material, but which could ultimately have a major impact on Corbion's business, objectives, revenues, income, assets, liquidity, or capital resources.

For more information related to credit, liquidity, and cash flow risks see Note 24 of the financial statements.

Corbion specific risks

Risk event	Cause and possible impact	Mitigation actions
Strategic/market risks		
PLA developments not meeting expectations	Failure to develop a profitable PLA business in the mid-longer term (5 years) caused by limited customer adoption leading to over-capacity and loss of market share.	Building a PLA plant next to the lactide facility to improve profit contribution under the precondition of sufficient upfront commercial commitments including pre-approval of samples by customers in order to reduce risk of commercialization/future output. Continued market and technology development with best-in-class partnerships to ensure successful scaling up and construction of the plant.
Raw material and energy price volatility and availability	Failure to manage the price volatility risk of raw materials, chemicals and energy that cannot be passed on to customers due to inadequate commodity positioning or lack of contractual enforcement may result in adversely impacted gross margins.	The inclusion of price formulas in contracts, frequent monitoring of key materials and energy impact. Overall raw material risks are mitigated by actively taking longer-term contract positions when necessary, by sourcing from different locations/key raw materials, and in the longer run, by considering alternative or second-generation feedstocks. Our global procurement organization, with dedicated finance support, has developed adequate measures to secure contract positions and obtain financial instruments to minimize or delay exposure to cost fluctuations in raw materials prices that might impact our margins negatively. These measures include early warnings of possible impact on our organization and our customers. Furthermore, we have implemented a multiple-supplier sourcing policy for our most critical raw materials.
Loss of large customers	The loss of a large customer could have a disproportionate impact on the profitability of the company. We have a large and diversified customer base in which the five largest customers account for approximately 13% of our sales.	Intimate customer relationships based on a profound knowledge of our customers' needs and those of their end consumers; continuous new product development, where possible jointly with our customers; and excellent service and cost levels should limit the risk of large customers leaving. Our strategy is very much focused on improving these fundamental customer relationship aspects, including required substantial investments.

Risk event	Cause and possible impact	Mitigation actions
Operational risks		
Safety incidents	Inherent health safety hazards in our operations and insufficient awareness of unsafe plant conditions can lead to injuries or casualties and a possible (temporary) shutdown of a plant.	Safety is an integral part of new design and change in product formulations and production processes. Our global safety platform that reaches across all sites enabling policy framework and deployment, audits and best practice exchange. A program focused on behavioral based safety, supported by e-learning and awareness workshops has been rolled out to enhance the safety culture.
Supply chain disruption	An external hazardous event (floods, riots, fires etc.) or internal disruption (availability of critical spare parts, global supply chain complexity etc.) may result in a significant period of plant shutdown or disruption and hence in non-(timely) delivery of our products to internal and/or external customers ultimately leading to adverse financial and reputational consequences.	Business continuity and crisis management plans including contingency sourcing are in place and tested. Furthermore, appropriate customer and supplier agreements are in place to limit exposure whilst leveraging supplies. Finally residual risks are adequately insured including assets and business continuity risks.
Confidential information	Failure to protect sensitive information adequately due to limited physical protective measures, inadequate user behavior, or possible cyber-attacks may result in loss of valuable or sensitive information such as trade secrets or intellectual property.	Controls are continuously improved and penetration tests (to check quality improvement) are performed annually. Non-disclosure agreements with third parties are in place.
Disruption of IT systems	Failure to our IT infrastructure might cause disruptions to our processes. IT systems are essential to our supply chain, customer fulfillment, and financial reporting processes.	We are further improving our IT landscape to optimally serve our organization and increase our security, reliability, and general efficiencies.
Financial/compliance risks		
Liability claim for poor product quality	Deficiencies in the operating effectiveness of the quality assurance measurements may lead to a severe liability claim.	Quality agreements with customers and suppliers include limited liabilities whilst the potential residual risk is covered through liability insurance. A strong Product Quality Assurance program (including audits by customers) is in place.

Generic risks

Risk event	Cause and possible impact	Mitigation actions
Volatility in currency exchange rates	Failure to manage volatility in the exchange rates of a number of currencies versus the euro, especially the US dollar, can have a significant impact on our financial results.	Hedging policy to limit the impact of volatility in foreign exchange rates is in place. Hedging the impact of the foreign currency translation risk is partly and indirectly effectuated through matching with liabilities denominated in foreign currency. Our external debt is denominated in US dollars, which partly offsets the equity translation exposure we have against the US dollar. The exposure to transaction risks is partly hedged by offsetting the long/short foreign currency positions through a system of gradually selling and/or buying these currencies to mitigate the impact of sudden volatility in these currencies.
Non-compliance with applicable tax laws	Failure to timely detect and anticipate changes in a wide variety of tax laws or in the application thereof could adversely affect our financial results.	Adequate quarterly reporting system is in place, we hold regular tax meetings, and review tax compliance of our operating companies. Our global tax control framework warrants compliance. Transfer pricing policy and documentation are in place as well. We seek the advice of external tax experts in compliance matters.
Breaches of and/or changes in compliance regulatory matters	Failure to comply with various internal requirements and external regulations. Lack of insight into and/or awareness of relevant laws and their requirements and regulatory changes may result in suspension of corporate activities, loss of business, reputational damage, and exposure to criminal and financial lawsuits.	Global legal compliance and other regulatory programs are carefully monitored and related awareness trainings are in place. Our relevant business owners holding regulatory responsibility receive regulatory updates from external sources on a frequent basis.
Non-compliance with International Financial Reporting Standards (IFRS)	Not informing our shareholders and other stakeholders in conformity with IFRS might lead to a lack of trust, reputational damage, a declining share price and, possibly, legal claims.	Corporate accounting policies are maintained and made available via the Corbion intranet. Our global control framework includes financial reporting controls that warrants compliance with IFRS. External best-in-class expert advice is used if/when necessary.

Control measures

The Board of Management has evaluated the design and effectiveness of the internal risk management and control systems, based on continuous monitoring and interaction with the business and corporate staff and by assessing amongst others, the following information:

Entity-wide controls

Corbion's entity-wide controls are implemented by local operating companies. Various examples of policies and procedures can be found below. The entity-wide controls are not limited to those outlined in this section.

Legal and regulatory review
Local management is responsible for compliance with laws and regulations. The Legal Department is consulted by local management on an ongoing basis. Every six months, local management reports the main open legal issues exceeding € 100,000 to Corporate Legal and Corporate Finance.

Letter of Representation
Every six months, managing directors and finance directors of each reporting entity or, where applicable, other senior staff, provide a Letter of Representation to the Board of Management. This letter represents compliance with financial reporting and internal controls.

Business Conduct Program
Guided by the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises, our Code of Business Conduct describes principles with respect to personal and business conduct, asset protection, employment standards, and environmental protection and sets out the expected standard of behavior of all Corbion employees. This Code serves as an umbrella for underlying policies which cover in more detail areas such as competition law, anti-bribery, anti-corruption, economic sanctions, and insider trading. Corbion has a network of regional Business Conduct Coordinators who support embedding of the Code of Business Conduct and the underlying policies in the local operations. Besides this, they function as a local point of contact for management and staff. All Corbion employees need to follow annually a mandatory training (either through e-learning or class room training) with respect to the Code of Business Conduct. A breach of the Code of Business Conduct can lead to disciplinary actions, including termination of employment.

Under the Corbion Speak Up Policy, Corbion employees are able to report (potential) violations of the Code of Business Conduct to their manager or a Business Conduct Coordinator. Next to that, the Corbion Speak Up Line, which is available 24/7 and operated by an independent service provider, allows employees to report issues anonymously. In 2015, four complaints with respect to the Code of Business Conduct were reported. Appropriate measures have been taken by management.

Tax principles
Corbion considers paying taxes an important part of our corporate social responsibility. Based on this, and derived from our Code of Business Conduct as part of our corporate governance structure, we have adopted the following tax principles. These tax principles deal with all different types of taxes which we are obliged to report and pay in the jurisdictions in which we operate, including taxes on profits, value added taxes, wage taxes, duties, and various other taxes.

Business rationale/transfer pricing
Corbion's tax strategy follows from and is aligned with the business strategy and objectives. Consequently, we aim to pay the appropriate amount of tax depending on where value is created

in each of the jurisdictions we operate in, following the normal course of commercial activity, and in accordance with domestic and international rules and standards. All our intercompany transfer pricing and policies are based on the “arm’s length principle”.

Compliance
We act at all times in accordance with all applicable laws in which we are guided by the relevant local and international standards. Compliance is monitored within a global tax control framework. Corbion complies with its statutory obligations and aims to file all required tax-relevant information with the appropriate tax authorities in a timely, transparent, and complete manner. Tax-related disclosures are made in accordance with the relevant domestic regulations, as well as applicable reporting requirements under IFRS.

Relationship with tax authorities
We seek to develop mutually respectful relationships with the various national tax authorities based on trust and transparency. To accomplish this we aim for an open and constructive dialog with the various tax authorities on the basis of disclosure of all relevant facts and circumstances. In the Netherlands we concluded a so-called tax covenant (“horizontal monitoring”) with the Dutch tax authorities. Such covenant entails that the tax authorities can rely on Corbion to provide upfront disclosure of all relevant information, while it allows Corbion to get upfront confirmation of applicable tax treatment.

Tax governance
Within the governance framework, the conduct of the group’s tax affairs and the management of tax risks are delegated to Corbion’s tax department with support and assistance from the corporate and local finance departments. The Audit Committee supervises the activities of the Board of Management with respect to the tax governance framework.

Global control framework

Business planning, budgeting, and management review
Based on Corbion’s strategy and plans, targets are set for the annual budget. After determining the budgets, targets are rolled out to the responsibility areas (business units, operations, etc.) within Corbion. Quarterly updated estimates are made based on a forecast until the end of the year. Forecasts are specifically discussed between responsibility area leaders and the Board of Management. The Board of Management monitors business performance on a monthly and quarterly basis using a defined set of key performance indicators and reviews of actual results versus budgets, quarterly estimates, and the previous year. Local operating companies are visited frequently. Operational management meets at least once a month to discuss the strategy and related risks, the actual performance versus budget, and other significant matters in their respective areas.

Financial control framework

As Corbion operates worldwide, it is committed to maintaining high-quality, reliable financial reporting, and a good control environment. All reporting entities assess operational effectiveness of their financial closing and reporting processes, at mid-year and end-of-year, confirming compliance with the relevant guidelines and IFRS. Together with the Letters of Representation, this ensures the integrity of our financial reporting.
During 2015 our main entities performed an assessment of the effectiveness of their key financial process controls. The assessments have been audited by internal audit and used as a starting point by external auditors. Improvement recommendations based on audit findings are followed up by local management, the status of which is being monitored regularly by the Board of Management.

Insurance
Insurance is an integral part of our risk management approach as it is an instrument to manage the financial consequences of certain specific risks. The choice to obtain external insurance cover depends on the cost efficiency of the instrument. The coverage of insurances is monitored and benchmarked regularly.

Internal audit
Internal audit supports the organization in accomplishing its objectives by providing a systematic, disciplined approach for the evaluation and improvement of the effectiveness of its internal control and governance processes. The Internal Audit Charter is approved by the Board of Management and the Audit Committee annually. The objective of internal audit is to provide a broad range of audit services designed to assist the Board of Management in controlling the business operations. It provides independent, risk-based objective assurance and consulting services designed to add value to the organization. Internal audit evaluates risks and ensures that the controls in place are adequate to mitigate the risks identified by management. Besides the assurance role, internal audit also adds value to the business through tailor-made operational audits, identifying best practices, and recommending improvement opportunities to management. Internal audit at Corbion is based on a co-sourcing model where an external professional provides the Senior Director Internal Audit with specialized knowledge and capacity flexibility. Audit results are reported to the Board of Management and the Audit Committee.

External audit
Our external financial audit engagement ensures that all main entities are audited by the external auditor either for statutory and/or group purposes. The focus of the external auditor's work is the financial reporting with the objective of providing a reasonable basis for the audit opinion on the fairness of the presentation of the financial position of the company.

In control statement

Corbion's risk management and internal control systems are designed to identify in a timely manner the risks inherent to our strategic, operational, and financial business objectives and to determine appropriate risk responses as described above. Risk management and actions taken in the year under review were reported to and discussed by the Supervisory Board and Audit Committee. Internal representations received from management, regular management and business reviews, evaluations of the design and implementation of our risk management and internal control systems, and Audit Committee reviews are an integral part of the company's risk management approach.

It should be noted that the above does not imply that these systems and procedures provide certainty as to the realization of strategic, operational, and financial business objectives, nor that they can prevent all misstatements, inaccuracies, errors, fraud, and non-compliance with laws and regulations.

On the basis thereof, the Board of Management believes to the best of its knowledge that the internal risk management and control systems with respect to the financial reporting have adequately performed in 2015 and that these systems provide a reasonable level of assurance against inaccuracies of material importance in the financial reporting. There are no indications that the systems would not be adequate in 2016.

All in all, the Board of Management is of the opinion that it has fulfilled the best practice provision II.1.4 of the Dutch corporate governance code with due observance of the recommendations of the Corporate Governance Code Monitoring Commission.

Responsibility statement

To the best of our knowledge the Financial statements give a true and fair view of the assets, liabilities, financial position, and earnings of Corbion and its consolidated companies. Further, to the best of our knowledge the Report of the Board of Management gives a true and fair view of the position of Corbion as at the balance sheet date, and of the development during the financial year of Corbion and its group companies included in the Financial statements, together with a description of principal risks Corbion faces. The members of the Board of Management have signed the Financial statements pursuant to their statutory obligations under Section 101 Subsection 2 of Book 2 of the Dutch Civil Code and Section 25c Subsection 2 sub c of Chapter 5 of the Financial Markets Supervision Act (*Wet op het financieel toezicht*).

Amsterdam, the Netherlands, 1 March 2016

Board of Management Corbion nv

Tjerk de Ruiter, CEO
Eddy van Rhede van der Kloot, CFO

Report of the Supervisory Board

Overview 2015

2015 was an important year for Corbion in which we embarked on our strategy “Disciplined Value Creation”. As of 1 January 2015, an Executive Committee was established to enhance the execution of our strategy and to be better positioned to drive a common agenda across Corbion and set clear priorities. Corbion also made the next step in becoming a PLA producer, as we reached a major milestone for the construction of a new 75 kT PLA polymerization plant, having secured upfront customer commitment for one-third of plant capacity. Small acquisitions and joint ventures were concluded in the US (acquisition of the lactic acid business of ADM), India (acquisition of the lactic acid business of Malladi Specialties), and Europe (a 50/50 joint venture with MedinCell for the supply of PEG (polyethylene glycol) and PLA (poly lactic acid) based co-polymers in the field of controlled release drug delivery) which fit well in our strategy.

From a financial perspective, 2015 was a very good year. On 30 September 2015 Corbion successfully completed its € 50 million share buyback program that commenced on 2 March 2015. The share buyback program was part of Corbion’s commitment to return € 100 million to shareholders in 2015 through a € 50 million additional cash dividend and a € 50 million share buyback program.

On 23 September 2015 Corbion announced that Sven Thormählen, CTO, had decided for personal reasons to step down as member of Corbion’s Board of Management and leave the company with immediate effect. The Supervisory Board would like to thank him for his professional technology-skills-based innovation contributions to Corbion. Tjerk de Ruiter, CEO of Corbion temporarily covers the tasks and responsibilities of CTO.

The Supervisory Board would like to thank the Board of Management and all Corbion employees around the world for their dedication, loyalty, and hard work in 2015.

Meetings of the Supervisory Board

During the reporting year the Supervisory Board held six regular meetings with the Board of Management and three conference-call meetings. The discussions at these meetings covered frequently recurring topics, such as the updated strategy, the Corbion portfolio, developments in financial results, business developments in the business units and operating companies, trends in the markets where Corbion operates, key investments, group risks, internal risk management and control systems, the outcome of the Board of Management evaluation of the set-up and operation of these systems, corporate governance, corporate social responsibility, organizational and people readiness, succession planning, the organizational top structure, acquisitions and divestments, the Financial statements, the Report of the Board of Management, the external auditor rotation, and the succession of the CTO.

The Supervisory Board has engaged external advisors to support them in their tasks and monitoring activities.

Prior to its regular meetings with the Board of Management the Supervisory Board also met in the absence of the Board of Management to discuss, amongst others, developments in the financial results, the new proposed remuneration policy for the Board of Management, and the profile, composition, and performance of the Board of Management.

The Supervisory Board engaged an external expert to carry out the evaluation of the performance of the Supervisory Board, its committees, and that of its members. This was done by means of in-depth interviews with all Supervisory Board members; also the Board of Management provided input. A report of the evaluation including observations and recommendations was discussed by the Supervisory Board. The outcome of the self-evaluation was that the Supervisory Board as a team is functioning well and that the composition of the Supervisory Board is appropriate. Focus areas for improvement were, amongst others, the diversity of the Supervisory Board and the permanent education of the Supervisory Board members. Priorities for 2016 include monitoring the further development of the updated strategy, discussing the strategies regarding the new product and innovation pipeline currently under development, and attention for the longer term succession planning of Board members.

Attendance at the in-person meetings held in 2015 was 100%. Attendance at the conference-call meetings was almost 100%; in one instance two members were not able to attend and they provided input in advance and designated another Supervisory Board member to proxy for them. The Chairman and Vice-Chairman of the Supervisory Board regularly met with the CEO, either in person or by phone. Also in this very intensive and important year for Corbion, all Supervisory Board members were able to make themselves sufficiently available to give adequate attention to the needs of Corbion.

Members of the Supervisory Board regularly met with the business leaders and members of corporate staff.

Composition of the Supervisory Board

Mr. W. Spinner stepped down at the annual General Shareholders' Meeting of 22 May 2015, after eleven years of distinguished service to the company, in various Supervisory Board membership roles. The Supervisory Board has benefited immensely from his extensive management experience and (bio)chemical industry knowledge.

Mr. J.P. de Kreij was re-appointed as member of the Supervisory Board and Mrs. M.E. Doherty was appointed as a member. As per 22 May 2015, Mr. M.F.J.P. Vrijsen took over the role as Chairman and Mr. R.H.P. Markham took up the role of Vice-Chairman.

Regarding its composition the Supervisory Board always tries to strike the right balance between expertise and experience. A certain degree of age and gender variation may be instrumental in achieving the desired balance in the composition of the Board. Required expertise and experience as well as the availability and diversity of the right candidates will be decisive when proposing candidates for (re)appointment.

In the judgment of the Supervisory Board all its members are independent as required by the Dutch corporate governance code.

Committees of the Supervisory Board

Audit Committee

The members of the Audit Committee are Mr. R. Pieterse (Chairman), Mr. J.P. de Kreij, Mr. W. Spinner (until 22 May 2015), and Mrs. M.E. Doherty (as from 22 May 2015). In 2015 the Audit Committee met five times in the presence of the CFO, the external auditor, the VP Group Finance, and the Senior Director Internal Audit. The agenda at these meetings covered, amongst others, the annual and half-year figures, the interim management statements, accounting issues, the operation of the internal risk management and control systems, tax matters, the financing plan, treasury, status of legal claims and litigations, status of the business conduct program, information technology developments and organization, and the reports of the internal and external auditors. The Audit Committee was also actively involved in the selection process of the new external auditor, which process resulted in the appointment of KPMG Accountants N.V. as of the financial year 2016.

The Audit Committee closely monitors the independence of the external auditor. It evaluates the performance of the external auditor on a yearly basis and where appropriate recommends the replacement of the external auditor. Furthermore, approval of the Audit Committee is required with respect to the fees for all audit services to be performed by the external auditor as requested by the Board of Management. The Audit Committee will act as the principal contact for the external auditor in case of irregularities in the content of financial reports.

Nomination Committee

The Nomination Committee consists of Messrs. M. F.J.P.Vrijsen (Chairman as from 22 May 2015), R.H.P. Markham (Chairman until 22 May 2015), and S. Riisgaard. The Nomination Committee met five times in 2015 in the presence of the EVP Human Resources and held two conference-call meetings. It discussed amongst other subjects the succession planning and composition of, and changes in the Supervisory Board, the performance of the Board of Management and its members, talent management, the people strategy, and the succession of the CTO.

Remuneration Committee

The Remuneration Committee consists of Messrs. R.H.P. Markham (Chairman as from 22 May 2015), M. F.J.P. Vrijsen (Chairman until 22 May 2015), and S. Riisgaard. The Remuneration Committee met five times in 2015 in the presence of the EVP Human Resources, held two conference-call meetings, and discussed amongst other subjects the new proposed remuneration policy for the Board of Management, the level of achievement of the 2014 Short-Term Incentive Plan (STIP) targets for the members of the Board of Management, the progress of the STIP 2015 targets, and the target setting for STIP 2016, and for the 2015-2018 Long-Term Incentive Plan.
The General Shareholders' Meeting approved the new remuneration policy for the Board of Management as proposed in the meeting of 22 May 2015.

Science and Technology Committee

The Science and Technology Committee consists of Messrs. S. Riisgaard (Chairman) and M. F.J.P. Vrijsen. The Science and Technology Committee met four times in 2015 in the presence of the CTO (or his replacement) and members of the R&D leadership team. The agenda at these meetings covered, amongst other subjects, food innovations, fermentation, downstream processing, PLA technology, and external technology trends.

Financial statements, 1 January 2015 - 31 December 2015

The Financial statements prepared by the Board of Management for the financial year 2015 have been audited and certified by Deloitte Accountants B.V. The auditor's findings on the Financial statements have been discussed with the Supervisory Board. The Supervisory Board has accepted the Financial statements and recommends that they be adopted by the General Shareholders' Meeting. The members of the Supervisory Board have signed the Financial statements pursuant to their statutory obligation under Section 101 Subsection 2 of Book 2 of the Dutch Civil Code.

Remuneration policy and report

Remuneration policy and its implementation in 2015

To ensure Corbion's development as a successful biobased ingredients and biotechnology company, the objective of the remuneration policy for the Board of Management is to create competitive remuneration packages and employment conditions, which align the interests of the Board of Management with the strategic direction and horizon of the company, with a strong emphasis on performance-related pay. The policy described in this section, and as applied in 2015, was approved by the annual General Shareholders' Meeting (AGM) in 2015.

Remuneration reference levels

The total compensation levels (base salary, short-term incentive, long-term incentive, and pay mix) are based on a combined reference group of European biotechnology companies and Dutch general industry companies (AMX and smaller AEX). Every two years a reference check will be performed to align the total compensation levels with market levels, for the first time in 2017. The reference groups may be adjusted at that moment in time, as determined by the Supervisory Board and as disclosed on the company's website. Within these two reference groups, Corbion qualifies around the median in terms of market capitalization, revenue, and number of employees.

Base salary

Members of the Board of Management are entitled to a base salary. Based on median market data the base salary for the CEO will be set between € 500,000 and € 600,000. For other Board members base pay is set between € 300,000 and € 400,000. The Supervisory Board will review these ranges every two years and adjust them if the median market data justifies any such adjustment. The individual pay of the Board members will be determined by the Supervisory Board within the boundaries of the aforementioned ranges (from time to time). There are no automatic annual increases in the base salary levels.

In 2015, the annual base salary for Mr. De Ruiter amounted to € 525,000 and for Mr. Van Rhede van der Kloot € 350,000.

Short-Term Incentive Plan (STIP)

Members of the Board of Management are entitled to a short-term incentive. The STIP rewards operational execution and is aimed at strengthening and growing the Corbion business. It is determined by two financial targets: EBITDA and earnings per share (EPS) (both as defined in the policy). EBITDA will account for 70% of the total STIP; the remaining 30% of the STIP will be determined by EPS. Meeting the annual performance targets will result in a STIP payout at target level. A range of 30% around each performance target (or such lower percentage as determined by the Supervisory Board) is set annually to determine the actual payout. The performance targets are applied in an additive method, meaning that both targets are measured independently. The STIP payout target level is set at 50% of base salary for the CEO, and 40% for other Board members. Payout is linear to the performance range and is set at a maximum of 1.5 times the STIP target and 0.5 for performance at the threshold level respectively. For performance below the threshold, payout is zero.

For 2015, the Supervisory Board applied the range of 30% for actual payout as follows: the threshold level was set at 85% and the maximum level at 115% for each target. The maximum levels for both financial targets have been achieved in the reporting year. This has led to a payout of 150% of the at-target STIP for both Mr. De Ruiter and Mr. Van Rhede van der Kloot.

Long-Term Incentive Plan (LTIP)

The long-term incentive for the Board of Management is aimed at longer-term value creation in line with shareholders' interests, measured over a performance period of three calendar years. To ensure that short-term performance also leads to sustainable long-term value creation, the LTIP measurement is fully aligned with the STIP: EBITDA and EPS account for 60% respectively 20% of the LTIP. In addition, 20% of the LTIP is determined by relative Total Shareholder Return (TSR) as compared to a specific TSR peer group.

Each year members of the Board of Management are entitled to a conditional grant of Corbion shares. The CEO is entitled to a conditional share grant value of 100% of base salary. The other Board members are entitled to a conditional share grant value of 80% of base salary. The total number of conditionally granted shares is determined by dividing the "at target" amount applicable for the respective Board member (as a percentage of base salary) by the share price. The share price is defined as the average closing price of the Corbion share during the last full calendar quarter preceding the conditional grant of shares.

Meeting the performance target(s) will result in an LTIP payout at target level. A range of 50% around the performance target(s) (or such lower percentage as determined by the Supervisory Board) is set for the EBITDA and EPS performance to determine the actual payout. For TSR performance, threshold payout is set at meeting the eighth position in the peer group. Target payout is achieved at the fourth or fifth position in the peer group and maximum payout is achieved at reaching the first or second position in the peer group. The following table illustrates the ranking and the corresponding vesting percentage.

Ranking	1	2	3	4	5	6	7	8	9-16
Percentage of performance shares vesting that are linked to the TSR metric	150%	150%	125%	100%	100%	75%	50%	50%	0%

Based on independent analysis by a leading bank in the Netherlands the TSR performance of Corbion versus the TSR peer group will be assessed after the three-year performance period.

The TSR peer group currently consists of the following companies: BioAmber Inc., Chr Hansen Holding A/S, Dupont Inc., Evonik Industries AG, Givaudan SA, Global Bioenergies SA, Innophos Holdings Inc., International Flavors & Fragrances Inc., Kerry Group PLC, Koninklijke DSM NV, Naturex SA, Novozymes A/S, Solazyme Inc., Symrise AG, and Tate & Lyle PLC. The Supervisory Board periodically assesses if the companies in this TSR peer group still qualify for inclusion. The Supervisory Board may also decide to replace companies in the peer group before the start of a new performance period.

For each of the abovementioned LTIP metrics, achievement of "at target" performance will lead to 100% vesting of the conditionally granted shares. If the minimum performance targets are met, 0.5 times the conditionally granted shares will vest. Below the minimum performance targets there is no vesting. The maximum vesting of shares will be capped at 1.5 times the conditionally granted shares. Between threshold and maximum a linear scale (straight-line interpolation) shall apply to the number of conditionally granted shares that will vest.

The number of performance shares conditionally granted to Mr. De Ruiter in 2015 (possible vesting in 2018) is 32,051 representing a value of € 525,000 at the time of granting. The number of performance shares conditionally granted to Mr. Van Rhede van der Kloot in 2015 (possible vesting in 2018) amounts to 17,094 representing a value of € 280,000 at the time of granting.

Share ownership

The Board of Management is obliged to gradually build up – in a time period of four years from appointment – a portfolio of Corbion shares that they are not allowed to sell during their Board membership with the company. The minimum share ownership for the CEO is 200% of base salary and for the other Board members 150% of base salary. The value of the Board members' share ownership is measured yearly using the share price at the vesting date of the LTIP shares. Share ownership requirements remain equally valid during twelve months after a Board term ends, for whatever reason. This mandatory share ownership applies instead of a lock-up period for the vested shares received under the LTIP (as suggested in provision II.2.5 of the Dutch corporate governance code). As long as the Board member does not comply with the share ownership requirements, vested LTIP shares will be kept in a restricted account and cannot be traded.

Benefits allowance

As a consequence of the use of executive assignment agreements, the company does not provide (social) benefits such as a company car, individual retirement, and medical or life insurance to Board members. That is why each Board member is provided with a benefit allowance. This is a fixed annual amount of € 200,000 for a CEO with an international background and € 100,000 for other Board members, to cover the cost of these expenses.

Corbion does not grant loans to members of the Board of Management. There are no outstanding loans.

Other compensation

Mr. De Ruiter is entitled to a one-off time-restricted performance share award equivalent to a target value of € 2 million in Corbion shares to vest over three years, as of 1 January 2015 (this award was granted in 2014 and amended in 2015 by the AGM). The award bridges part of the compensation gap between the United States and the Netherlands. The award encourages delivering a growing, increasingly profitable, and sustainable business portfolio. The award vests only if a minimum target (EBITDA growth, as defined in the share award) is achieved each year. If performance falls below target, no shares will vest. For at-target or above-target performance, the target number of shares (representing a value of one-third of the aggregate amount of € 2 million) will vest. The Supervisory Board has set long-term innovation milestones which allow for an additional vesting of up to 25% of the total number of shares. At the end of the three-year performance period, the Supervisory Board will determine whether these long-term innovation milestones have been met. The award is subject to the general share ownership requirement of two times the annual base salary; as long as Mr. De Ruiter does not comply with these share ownership requirements, vested shares under this share award will be kept in a restricted account and cannot be traded.

For 2015, the minimum target was achieved leading to the vesting of 39,897 shares to Mr. De Ruiter in 2016.

Executive assignment agreements

Members of the Board of Management are appointed for a period of four years and may be reappointed by the General Shareholders' Meeting.

All Board members have executive assignment agreements *(overeenkomsten van opdracht)* for four years. The notice period is six months. Severance payments are limited to one annual base salary and one annual benefits allowance.

The members of the Board of Management may accept a maximum of two paid or unpaid positions on an outside supervisory board or any other such (advisory) position, provided they obtain the prior approval from the Supervisory Board.

Remuneration for the Board of Management

The total annual remuneration for the Board of Management in 2015 amounted to € 1,773 million including STIP over 2015 (2014: € 1,426 million). The table below shows the amounts which the respective Board member (i) received/was entitled to in 2015 (base salary, STIP, benefits allowance, relocation costs) and (ii) received/was entitled to in 2015 by way of vesting (LTIP, special share award).

Thousands of euros	Year	Base salary	STIP	LTIP	Benefits allowance	Special share award	Relocation costs	Total
T. de Ruiter	2015	525	394		200			1,119
	2014[1)]	413	250		150		69	882
E.E. van Rhede van der Kloot	2015	344	210		100			654
	2014[1)]	208	172[2)]		64	100		544
Total	**2015**	**869**	**604**		**300**			**1,773**
Total	**2014**	**621**	**422**		**214**	**100**	**69**	**1,426**

1) *For Mr. De Ruiter as of 1 April 2014, for Mr. Van Rhede van der Kloot as of 12 May 2014.*
2) *As of 1 January 2014.*

Remuneration for the Supervisory Board

Total remuneration for members of the Supervisory Board in 2015 amounted to € 0.4 million (2014: € 0.4 million).

Every Supervisory Board member receives an annual base fee of € 45,000; the Vice-Chairman receives € 50,000 and the Chairman € 60,000.

For membership of the Audit Committee an additional fee of € 10,000 applies, and for the Chairman € 15,000. Members of the Nomination Committee, Remuneration Committee, or Science and Technology Committee receive an additional € 5,000 in fee; the fee for the Chairman of these Committees amounts to € 7,500. In addition, members received reimbursement of expenses.

Breakdown remuneration Supervisory Board

Thousands of euros	Year	Base fee	Committee fee	Total *
M.F.J.P Vrijsen, Chairman, Vice-Chairman till May 2015 (Chairman Nomination Committee, member until May 2015/ member Remuneration Committee, Chairman until May 2015/member Science & Technology Committee)	2015	56	17	73
	2014	49	17	66
R.H.P. Markham, Vice-Chairman, Chairman until May 2015, (Chairman Remuneration Committee, member until May 2015/member Nomination Committee, Chairman until May 2015)	2015	54	13	67
	2014	60	13	73
M.E. Doherty (member Audit Committee), appointed per May 2015	2015	27	6	33
	2014			
J.P. de Kreij (member Audit Committee)	2015	45	10	55
	2014	45	10	55
R. Pieterse (Chairman Audit Committee)	2015	45	15	60
	2014	45	15	60
S. Riisgaard (Chairman Science and Technology Committee, member Remuneration Committee/Nomination Committee	2015	45	17	62
	2014	29	14	43
W. Spinner (member Audit Committee), resigned per May 2015	2015	18	4	22
	2014	45	10	55
M.P.M. de Raad, Vice-Chairman (Chairman Remuneration Committee/ member Nomination Committee), resigned per May 2014	2015			
	2014	19	3	22
Total	**2015**	**290**	**82**	**372**
Total	**2014**	**292**	**82**	**374**

**) Excluding expenses*

No loans or advance payments or any guarantees to that effect have been granted to the members of the Supervisory Board. None of the members of the Supervisory Board has shares in the company or any option rights relating thereto (as at 1 March 2016).

Remuneration for former members of the Board of Management in 2015

Mr. Thormählen (CTO) stepped down as a member of the Board of Management as per 22 September 2015 and his contractual notice period of six months commenced on 1 October 2015. During the period of inactive duty in 2015, Mr. Thormählen received his regular base salary and benefits allowance as contractually agreed. Mr. Thormählen did not receive STIP or LTIP over 2015.

Messrs. Hoetmer (CEO) and Kramer (CFO) stepped down as members of the Board of Management on 12 May 2014 and their contractual notice period of six months commenced on 1 August 2014. Mr. Kramer left the company as per 8 December 2014. In 2015, he received a contractually agreed pension-related payment of € 194,220. The notice period of Mr. Hoetmer ended on 1 February 2015. Over January 2015, he received regular base salary, benefits, and pension. Furthermore, Mr. Hoetmer received in 2015 the contractually agreed severance payment of € 1,669,058 and a contribution for the commitment award for a further two years of € 128,620.

The LTIP shares conditionally granted in 2012 to Messrs. Hoetmer and Kramer have not vested in 2015, as Corbion ranked 8th in the peer group. The TSR performance for the 2012 LTIP series was based on the previous peer group.

Breakdown remuneration former Board members

The table below shows the amounts which the respective former Board member (i) received/was entitled to over 2015 (base salary, STIP, pension benefits, relocation costs, notice period) and (ii) received/was entitled to in 2015 by way of vesting (LTIP, commitment award) or received in 2015 by way of contractual severance (other termination benefits).

Thousands of euros	Year	Base salary	STIP	LTIP	Benefits allowance	Pension benefits	Relocation costs	Notice period	Other termination benefits	Other [5]	Total
G.H. Hoetmer	2015							77[4]	1,798	(223)	1,652
	2014	394	224	65[1]		118		367[2]	398[3]		1,566
N.J.M. Kramer	2015								194	(127)	67
	2014	297	139	49[1]		89		314[2]	321[3]		1,209
S. Thormählen	2015	263			75			112[7]			450
	2014[6]	269	139		75		41				524
Total	**2015**	**263**			**75**			**189**	**1,992**	**(350)**	**2,169**
Total	**2014**	**960**	**502**	**114**	**75**	**207**	**41**	**681**	**719**		**3,299**

1) *This relates to the commitment award 2014.*
2) *This relates to the base salary and pension benefits as of 1 August 2014. For Mr. Kramer until 8 December 2014.*
3) *As stipulated in the contracts of Messrs. Hoetmer and Kramer, an additional retirement contribution for a further two years has been provided to the former Board members. Mr. Kramer received his contribution for the commitment award for a further two years at the time he left employment of the company.*
4) *This includes base salary, pension benefit, and the pension-related compensation for salaries above € 100,000.*
5) *This relates to the repayment by Messrs. Hoetmer and Kramer of in total € 350,000 pursuant to the settlement agreement with respect to the share award granted in 2013 to Messrs. Hoetmer and Kramer in recognition of the successful completion of the divestment of the Bakery Supplies businesses in 2013.*
6) *As of 1 April 2014.*
7) *This includes base salary and benefit allowance as of 1 October 2015.*

Amsterdam, the Netherlands, 1 March 2016

On behalf of the Supervisory Board
M.F.J.P. Vrijsen

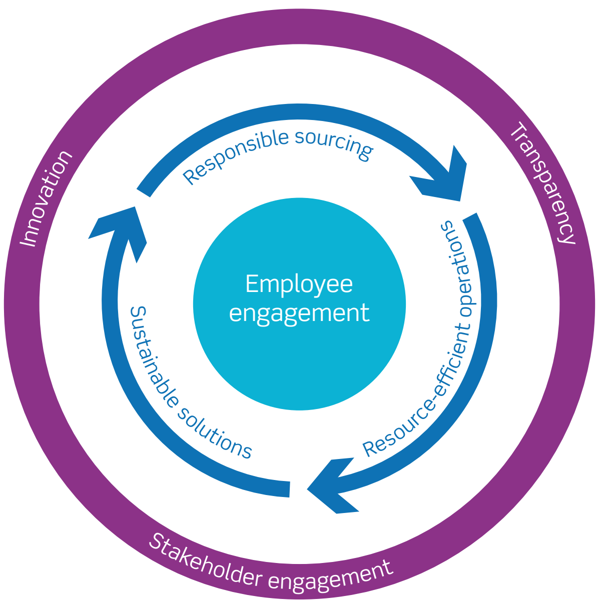
Sustainability statements

Sustainability framework

In 2015 we have complemented our “Disciplined Value Creation” strategy with a sustainability framework, which outlines our key sustainability priorities and ambitions. This framework is based on extensive discussions with internal and external stakeholders and a materiality assessment.

Employee engagement forms the core of our sustainability framework as our employees are our most important asset and motivated employees, proud to work for Corbion, are critical to achieve our overall strategy and to advance sustainability. Our key initiatives are responsible sourcing, resource-efficient operations, and sustainable solutions, covering our entire value chain. Innovation, transparency and stakeholder engagement are critical enablers ensuring that we make visible progress on the key initiatives and that these initiatives continue to be aligned with stakeholder expectations.

Corbion’s sustainability framework - 4 core themes, 3 enablers



Ambitions

Employee engagement

Create an excellent place to work, where our engaged workforce can unleash their potential, passion, pride, and talent to drive sustainable growth for Corbion.

Responsible sourcing

Responsible sourcing of Corbion's main agricultural raw materials.

Resource-efficient operations

Zero waste in Corbion's own operations.

Sustainable solutions

Provide our customers with performance solutions based on renewable resources that enable them to reduce their environmental impact.

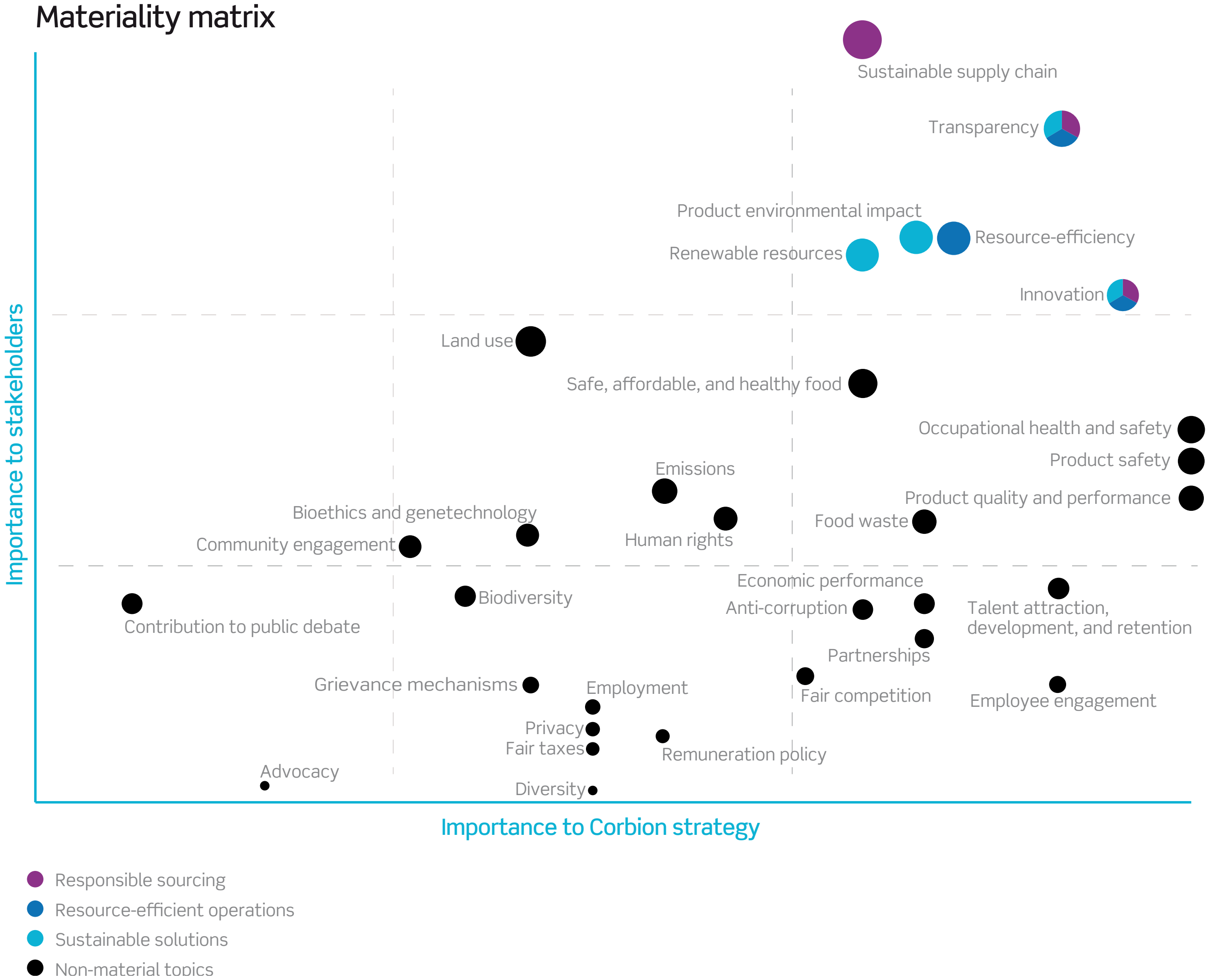
For each of these topics, we have formulated ambitions and identified success factors that are critical to realizing them. The progress we make on these determines the extent to which we achieve our ambitions. In 2016, we will continue working on the implementation and define KPIs and targets to measure our progress.

Topic	Ambition	Critical success factors
Employee engagement	Create an excellent place to work, where our engaged workforce can unleash their potential, passion, pride, and talent to drive sustainable growth for Corbion	• Encourage and support opportunities for further business and personal growth, while and offering challenging career opportunities • Reward performance using an international-market-competitive remuneration framework • Annual global engagement process (survey, action plans)
Responsible sourcing	Responsible sourcing of Corbion's main agricultural raw materials (sugar cane, corn, soy, wheat, palm oil)	• Evaluate suppliers of our main agricultural raw materials • Include sustainability criteria when evaluating new suppliers • Participate in relevant multi-stakeholder initiatives • Collaborate with strategic suppliers to jointly improve environmental and social performance
Resource-efficient operations	Zero waste in Corbion's own operations	• Valorize by-products • Waste reduction programs (reduce, re-use, recycle) • Continue to reduce our energy and water consumption and our carbon footprint • Close material loops
Sustainable solutions	Provide our customers with performance solutions based on renewable resources that enable them to reduce their environmental impact	• Obtain insight into the environmental impact of our products (Life Cycle Assessment) • Partner with customers to assess and improve the impact of our products on their ecological footprint • Be transparent about the environmental impact of products with a sustainability value proposition
Transparency	Provide our stakeholders with enhanced transparency in our sustainability performance	• Publish global policies on quality, safety, environmental, and social aspects • Targeted communication on sustainability to our stakeholders • Participate in relevant reporting initiatives
Innovation	Innovate to strengthen and grow our position in Food and Biochemicals, and to leverage our lactic acid molecule and technology into new business platforms	• Renew existing portfolio to strengthen and grow our position in Food and Biochemicals • Build a bioplastics business by becoming a PLA producer • Develop and implement gypsum-free lactic acid process • Develop new biobased organic acids to replace fossil-based acids • Develop the ability to use alternative feedstock technology
Stakeholder engagement	Yearly alignment of our sustainability initiatives with stakeholder expectations	• Stakeholder engagement activities (including interviews) • Materiality assessment

Materiality

The foundation of our updated sustainability strategy is the materiality matrix, which we use to set priorities and ensure that we take a focused approach. A materiality analysis is about the identification of key issues that are important to our stakeholders and our strategy. The materiality matrix visualizes the results of this analysis, by plotting the relevant social, environmental, governance and economic issues as a function of their importance to stakeholders (vertical axis) and Corbion's strategy (horizontal axis).

Materiality matrix



In 2015 we updated our materiality matrix using an in-depth methodology (see fig. 1). We increased the number of issues in the evaluation, to get a more specific picture of their relative importance. To determine the relevance of these issues to our stakeholders, we conducted interviews with representatives of each stakeholder group (see fig. 2) to understand their expectations. Generally, our stakeholders really appreciated this opportunity to share their views and recommendations. We will continue this dialog to keep our assessment up to date and to signal emerging issues in time.

Combined with our internal assessment of the importance of the issues to our strategy, this resulted in the identification of six material themes, which are the six themes in the upper right quadrant of the matrix. These six themes have a high impact on our strategy and are considered important by all of our key stakeholders. As in our previous matrix, which was developed in 2013, sustainable supply chain, resource efficiency, and renewable resources continue to be material themes. Innovation, transparency, and product environmental impact were not included in our previous materiality assessment.

The materiality determination process (fig.1)

1 **Long and shortlist of themes**: we have compiled a long list of relevant sustainability themes based on GRI indicators, benchmarking and stakeholder input. This list was consolidated into a short list of 31 themes.
2 **Determining importance to the Corbion strategy**: the importance of each theme to the Corbion strategy was determined through discussions with the Executive Committee.
3 **Stakeholder dialogs**: the importance of each theme to our stakeholders was determined on the basis of stakeholder interviews.
4 **Stakeholder weighing**: the stakeholder input was weighted according to the impact that Corbion has on each stakeholder group and the impact that each stakeholder group has on Corbion.
5 **Calculating materiality matrix**: the resulting internal and external scores were plotted in a matrix and discussed with the Executive Committee to select the material themes.

Key stakeholder groups (fig. 2)

Our key stakeholders have been identified on the basis of two questions:
1. On which stakeholders does Corbion have a significant impact?
2. Which stakeholders have a significant impact on Corbion?

(Alphabetical order)
- **Business partners**
- **Communities**
- **Customers**
- **Employees**
- **Governments**
- **Industry associations**
- **Knowledge institutes**
- **Multi-stakeholder initiatives**
- **NGOs**
- **Shareholders**
- **Supervisory Board**
- **Suppliers**

Material themes, definition, connection to sustainability strategy

Material theme	Strategic theme	Definition	Location in report
Sustainable supply chain	Responsible sourcing	Social, environmental, and governance practices of our suppliers, including agricultural practices in case of agriculture-related raw materials. Local sourcing of raw materials.	Responsible sourcing (Qualitatively reported, KPI to be defined)
Resource efficiency	Resource-efficient operations	Efficient use of raw materials, water, and energy in Corbion's facilities and elimination of waste.	Resource- efficient operations (KPIs on energy and water usage, GHG emissions and waste)
Product environmental impact	Sustainable solutions	The contribution of Corbion's products to the reduction of the ecological footprint of end users. Includes the impact of Corbion's products on the reduction of our customers' carbon footprint, biodegradability, com-postability, and other end-of-life options.	Sustainable solutions (Qualitatively reported, KPI to be defined)
Renewable resources	Sustainable solutions	The use of renewable raw materials instead of finite fossil resources. Corbion's contribution to the transition to a biobased economy with a reduced dependency on fossil fuels.	Sustainable solutions (Qualitatively reported, KPI to be defined)
Transparency	Transparency	Corbion's commitment to being a transparent company towards shareholders, stakeholders, and other relevant parties.	Sustainability state-ments (Qualitatively reported, KPI to be defined)
Innovation	Innovation	Development and commercialization of new products, product applications, and processes.	Strategy chapter (Qualitatively reported, KPI to be defined)

Sustainability governance

The Executive Committee has overall responsibility for sustainability and decides on the strategy and targets. A sustainability dashboard with qualitative and quantitative indicators is being developed. This dashboard will be used to monitor our progress in the strategic sustainability initiatives. The Director of Sustainability reports to the CTO and
chairs a team of representatives from different business functions and technical experts focusing on sustainability and Life Cycle Assessment. Accountability for managing sustainability initiatives and delivering against targets lies with the relevant businesses and functions.

Reporting policy

Our sustainability reporting is based on the guidelines of the Global Reporting Initiative (GRI). For this report, the core option of the GRI G4 guidelines has been used. As recommended by the GRI G4 guidelines, the selection of topics is based on a materiality assessment (see Materiality). Additionally, we report on a number of themes such as occupational health and safety, quality, product safety, and customer statisfaction, which we consider qualifiers of our business.
The scope of the environmental data includes Corbion's manufacturing sites. Offices and R&D laboratories are not included, except for our central R&D laboratories and offices located at our Gorinchem manufacturing site. The scope of the social data is similar to that of the Consolidated financial statements. Data is collected from various reporting systems, each of which have associated approval and verification processes. We strive to continuously improve the data collection process and the reliability of the data. Significant changes that impact comparability

are explained in footnotes. We realize that some of the reported information depends on assumptions and is therefore less reliable, however we are confident that the information provides a solid picture of our progress in the various areas. The sustainability sections of this report have not been reviewed by external auditors. We intend to implement this in the future, to further increase the reliability of the data that we report.

GRI Index

General Standard Disclosures

Indicator	Description	Location in report
G4-1	CEO statement on sustainability	Sustainability statements
G4-3	Name	Corbion
G4-4	Brands, products, services	Corbion at a glance
G4-5	Location of HQ	Amsterdam
G4-6	Countries	Corbion at a glance
G4-7	Ownership	Corbion at a glance, Our governance
G4-8	Markets served	At a glance
G4-9	Employees, operations, sales	Corbion at a glance, Company highlights
G4-10	Employee breakdown	Sustainability statements
G4-11	Collective bargaining	Sustainability statements
G4-12	Describe supply chain	Responsible sourcing
G4-13	Changes in reporting period	Financial statements
G4-14	Precautionary approach	Risk management
G4-15	Charters and principles	UN Global Compact
G4-16	Membership organizations	www.corbion.com/about-corbion/sustainability
G4-17	Entities	Group structure. Both the financial and the non-financial data has Corbion nv as scope (unless stated otherwise).
G4-18	Process on defining content and aspects	Sustainability statements
G4-19	List of aspects	Sustainability statements
G4-20	Boundary per aspect within company	Sustainability statements
G4-21	Boundary per aspect outside of company	Sustainability statements
G4-22	Restatements	Sustainability statements
G4-23	Significant changes in boundary	Sustainability statements
G4-24	List of stakeholder groups	Sustainability statements
G4-25	Basis for identification of stakeholders	Sustainability statements
G4-26	Approach to stakeholder engagement	Sustainability statements
G4-27	Topics and concerns raised through stakeholder engagement	Sustainability statements
G4-28	Reporting period	Jan 1st- Dec 31st 2015
G4-29	Date of last report	April 9th, 2015
G4-30	Reporting cycle	Annual
G4-31	Point of contact	communications@corbion.com
G4-32	GRI content index	Sustainability statements
G4-33	Policy on external assurance	Sustainability statements
G4-34	Governance structure	Sustainability statements, Our governance
G4-56	Values principles and standards	Our governance

Specific standard disclosures

Indicator	Description	Location in report
Environmental		
Energy		
G4-DMA		Sustainability statements Resource-efficient operations
G4-EN3	Energy consumption within the organization	Resource-efficient operations
G4-EN5	Energy intensity	Resource-efficient operations
Emissions		
G4-DMA		Sustainability statements Resource-efficient operations
G4-EN15	Direct GHG emissions (scope I)	Resource-efficient operations
G4-EN16	Energy indirect GHG emissions (scope II)	Resource-efficient operations
G4-EN17	Other indirect GHG emissions (scope III)	Resource-efficient operations
G4-EN18	GHG emissions intensity	Resource-efficient operations
Waste		
G4-DMA		Sustainability statements Resource-efficient operations
G4-EN23	Total weight of waste by type and disposal	Resource-efficient operations
G4-EN25	Weight of transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention I, II, III and VIII and percentage of transported waste shipped internationally	Resource-efficient operations
Compliance		
G4-DMA		Sustainability foundations
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	In 2015 we received a € 2,500 fine because of non-compliance with the Dutch law on soil protection. Measures to resolve this issue are being implemented.
Social		
Labour practices and decent work		
G4-DMA		Sustainability foundations
G4-LA6	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities, by region and gender.	Sustainability foundations No fatalities occurred in 2015.
Compliance		
G4-DMA		Our governance
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	As a result of the Grandview explosion, we received a $7000 fine because of a violation of the U.S.A. Occupational Health and Safety Act.
Product responsibility		
Product safety		
G4-DMA		Sustainability foundations
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	In 2015 there were no incidents of non-compliance concerning product safety.
Compliance		
G4-DMA		Sustainability foundations
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	There were no fines for non-compliance with laws and regulations concerning the provision and use of products and services in 2015.

Other material themes reported by Corbion which are not included in the GRI standard

Indicator	Description	Location in report
Water		
	Water consumption within the organization	Resource-efficient operations
By-products		
	Total weight of by-products	Resource-efficient operations
	Total weight of by-products disposed, by disposal method.	Resource-efficient operations

The following GRI indicators are either no longer material according to our updated materiality assessment, or have been replaced by a more appropriate indicator, and are therefore no longer reported:

Strategic theme	Material theme	Definition
G4 - EC1	Direct economic value generated and distributed.	Not material according to our updated materiality assessment.
G4 - EN8	Total water withdrawal by source.	A new indicator, water consumption, has been defined to cover this aspect.
G4 - EN21	NOx, SOx, and other significant air emissions.	Not material according to our updated materiality assessment.
G4 - EN22	Total water discharge by quality and destination.	Not material according to our updated materiality assessment.
G4 - EN24	Total number and volume of significant spills.	Not material according to our updated materiality assessment.
G4 - EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.	Not material according to our updated materiality assessment.
G4 - LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region.	Not material according to our updated materiality assessment.
G4 - HR3	Total number of incidents of discrimination and corrective action taken.	Not material according to our updated materiality assessment.
G4 - SO4	Communication and training on anti-corruption policies and procedures.	Not material according to our updated materiality assessment.
G4 - SO5	Confirmed incidents of corruption and actions taken.	Not material according to our updated materiality assessment.

UN Global Compact

“Corbion is a signatory of the United Nations Global Compact. We are committed to align our operations and strategies with these ten principles in the areas of human rights, labor, environment, and anti-corruption. We will continue to support the principles and communicate our progress in terms of practical actions and outcomes.” Tjerk de Ruiter, CEO Corbion.

Topic	Principle	Reference
Human rights	*Principle 1*: Businesses should support and respect the protection of internationally proclaimed human rights; and *Principle 2*: make sure that they are not complicit in human rights abuses.	Sustainability foundations, Our governance Corbion Code of Business Conduct, Corbion Supplier Code
Labor	*Principle 3*: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; *Principle 4*: the elimination of all forms of forced and compulsory labor; *Principle 5*: the effective abolition of child labor; and *Principle 6*: the elimination of discrimination in respect of employment and occupation.	Sustainability foundations, Our governance, Sustainability statements Corbion Code of Business Conduct, Corbion Supplier Code
Environment	*Principle 7*: Businesses should support a precautionary approach to environmental challenges; *Principle 8*: undertake initiatives to promote greater environmental responsibility; and *Principle 9*: encourage the development and diffusion of environmentally friendly technologies.	Our governance, Sustainability foundations, Corbion Code of Business Conduct, Corbion Supplier Code Our strategy
Anti-corruption	*Principle 10*: Businesses should work against corruption in all its forms, including extortion and bribery.	Sustainability foundations, Our governance, Corbion Code of Business Conduct, Corbion Supplier Code

Workforce profile

	FTE of employees 2015	% of workforce 2015	FTE of employees 2014	Number of employees 2014	% of workforce 2014
Total workforce	**1,673**		**1,860**	**1,893**	
By region					
Asia	217	13%	241	249	13%
EMEA	601	36%	674	699	37%
Latin America	114	7%	125	125	7%
North America	741	44%	820	820	43%
Per unit					
Business units	419	25%	409	429	23%
- Biobased Ingredients	*391*	*93%*		*400*	*93%*
- Biobased Innovations	*28*	*7%*		*29*	*7%*
R&D	90	5%	127	136	7%
Operations	988	59%	1,110	1,110	59%
Support functions	176	11%	214	218	11%
By gender					
Female		26%		495	26%
Male		74%		1,398	74%
By employment contract					
Full time		93%		1,745	92%
Part time		7%		148	8%

In 2015, our total workforce has been reduced by 187 FTEs. The distribution over various regions remained more or less stable.

Labor practices

Collective bargaining agreements	Number of employees	% of workforce
Total employees with agreements	726	43%

The majority of our workforce has no collective labor agreements. There are various alternatives to encourage employee involvement across our global company, from employee bodies in Thailand to works' councils in Europe, ensuring high-level employee-management interaction and responsible labor practices. In addition, our Code of Business Conduct reflects our strong commitment to responsible labor practices.

Financial statements

Contents of financial statements

Consolidated financial statements

Consolidated income statement

Millions of euros	*Note*	2015	2014
Net sales	*4*	918.3	770.1
Costs of raw materials and consumables		-471.4	-388.3
Production costs		-136.7	-160.2
Warehousing and distribution costs		-48.3	-42.8
Gross profit		**261.9**	**178.8**
Selling expenses		-63.8	-64.7
Research and development costs		-32.7	-35.9
General and administrative expenses		-56.8	-65.3
Operating result		**108.6**	**12.9**
Financial income	*7*		0.1
Financial charges	*7*	-5.8	-9.5
Results from joint ventures and associates	*12*	-0.6	-1.6
Result before taxes		**102.2**	**1.9**
Taxes	*8*	-22.0	-20.2
Result after taxes		**80.2**	**-18.3**
Per common share in euros	*9*		
Basic earnings		1.29	-0.34
Diluted earnings		1.28	-0.33

Consolidated statement of comprehensive income

Millions of euros	*Note*	2015	2014
Result after taxes		**80.2**	**-18.3**
Other comprehensive results to be recycled:			
Translation reserve	*18*	9.0	27.3
Hedge reserve	*18*	2.9	0.9
Taxes relating to other comprehensive results to be recycled	*18*	-4.8	-1.9
Total other comprehensive results to be recycled		**7.1**	**26.3**
Other comprehensive results not to be recycled:			
Remeasurement defined benefit arrangements	*20*	-1.6	-1.4
Taxes relating to other comprehensive results not to be recycled		0.6	0.7
Total other comprehensive results not to be recycled		**-1.0**	**-0.7**
Total comprehensive result after taxes		**86.3**	**7.3**

Consolidated statement of financial position

Before profit appropriation, millions of euros	*Note*	As at 31-12-2015	As at 31-12-2014
Assets			
Property, plant, and equipment	*10*	307.4	288.7
Intangible fixed assets	*11*	138.6	122.9
Investments in joint ventures and associates	*12*	6.4	6.6
Other non-current financial assets	*13*	1.5	3.3
Deferred tax assets	*21*	15.9	11.6
Total non-current assets		**469.8**	**433.1**
Inventories	*14*	133.0	128.4
Trade receivables	*15*	96.9	94.9
Other receivables	*15*	15.7	9.0
Income tax receivables		0.5	2.3
Cash and cash equivalents	*16*	92.1	111.4
Assets held for sale	*17*		4.5
Total current assets		**338.2**	**350.5**
Total assets		**808.0**	**783.6**
Equity and liabilities			
Equity	*18*	487.8	508.7
Provisions	*19*	13.6	11.8
Deferred tax liabilities	*21*	11.5	9.4
Non-current liabilities	*22*	154.2	35.6
Total non-current liabilities		**179.3**	**56.8**
Interest-bearing current liabilities	*23*		70.0
Trade payables		69.7	70.6
Other non-interest-bearing current liabilities		59.1	56.6
Provisions	*19*	6.0	18.3
Income tax payables		6.1	2.6
Total current liabilities		**140.9**	**218.1**
Total equity and liabilities		**808.0**	**783.6**

Consolidated statement of changes in equity

Before profit appropriation, millions of euros	Share capital	Share premium reserve	Other reserves	Retained earnings	Total
As at 1 January 2014	**18.7**	**73.0**	**14.1**	**399.0**	**504.8**
Result after taxes 2014				-18.3	-18.3
Other comprehensive result after taxes 2014			26.3	-0.7	25.6
Transfers to/from Other reserves			17.2	-17.2	
Total comprehensive result after taxes 2014			**43.5**	**-36.2**	**7.3**
Cash dividend				-5.6	-5.6
Stock dividend	0.1	-0.1			
Share-based remuneration transfers			-0.9	0.9	
Share-based remuneration charged to result			2.2		2.2
Withdrawal shares	-2.7	-10.0		12.7	
Total transactions with shareholders	**-2.6**	**-10.1**	**1.3**	**8.0**	**-3.4**
As at 31 December 2014	**16.1**	**62.9**	**58.9**	**370.8**	**508.7**
Result after taxes 2015				80.2	80.2
Other comprehensive result after taxes 2015			7.1	-1.0	6.1
Transfers to/from Other reserves			1.5	-1.5	
Total comprehensive result after taxes 2015			**8.6**	**77.7**	**86.3**
Cash dividend				-58.4	-58.4
Stock dividend	0.1	-0.1			
Acquired company shares				-50.0	-50.0
Share-based remuneration transfers			-0.7	0.7	
Share-based remuneration charged to result			1.2		1.2
Withdrawal shares	-0.6	-4.1		4.7	
Total transactions with shareholders	**-0.5**	**-4.2**	**0.5**	**-103.0**	**-107.2**
As at 31 December 2015	**15.6**	**58.7**	**68.0**	**345.5**	**487.8**

For more information on equity see Note 18.

Consolidated statement of cash flows

Millions of euros	*Note*	2015	2014
Cash flow from operating activities			
Result after taxes		80.2	-18.3
Adjusted for:			
- Depreciation/amortization of fixed assets	*6*	45.9	44.1
- Impairment of fixed assets	*10/11*	1.7	37.8
- Result from divestments of fixed assets			-0.3
- Share-based remuneration		1.2	2.2
- Interest income	*7*		-0.1
- Interest expense	*7*	5.9	4.7
- Exchange rate differences	*7*	-0.7	0.9
- Interest (income) expense on defined benefit pension plans - net	*7*	0.5	0.3
- Impairment of financial asset classified as available-for-sale	*7*		3.1
- Other financial income and charges	*7*	0.1	0.5
- Results from joint ventures and associates	*12*	0.6	1.6
- Taxes	*8*	22.0	20.2
Cash flow from operating activities before movements in working capital		**157.4**	**96.7**
Movement in provisions		-13.6	5.7
Movements in operating working capital:			
- Trade receivables		3.1	-4.3
- Inventories		1.0	-23.1
- Trade payables		-3.1	-2.7
Movements in other working capital		-5.6	8.1
Cash flow from business operations		**139.2**	**80.4**
Interest received			0.1
Interest paid		-5.8	-6.8
Tax paid on profit		-23.1	-6.9
Cash flow from operating activities		**110.3**	**66.8**
Cash flow from investment activities			
Investment joint ventures and associates	*12*	-0.4	-1.3
Investment other financial assets			-5.7
Capital expenditure on (in)tangible fixed assets		-60.1	-67.8
Divestment of (in)tangible fixed assets		5.4	0.8
Cash flow from investment activities		**-55.1**	**-74.0**
Cash flow from financing activities			
Proceeds from interest-bearing debts		112.6	
Repayment of interest-bearing debts		-76.9	-1.1
Acquisition of company shares	*18*	-50.0	
Paid-out dividend		-58.4	-5.6
Cash flow from financing activities		**-72.7**	**-6.7**
Net cash flow		**-17.5**	**-13.9**
Effects of exchange rate differences on cash and cash equivalents		-1.8	1.4
Decrease cash and cash equivalents		**-19.3**	**-12.5**
Cash and cash equivalents at start of financial year		111.4	123.9
Cash and cash equivalents at close of financial year		92.1	111.4

Notes to the consolidated financial statements

1. Accounting information

General

Corbion is the global market leader in lactic acid, lactic acid derivatives, and lactides, and a leading company in emulsifiers, functional enzyme blends, minerals, and vitamins. The company delivers high-performance biobased products made from renewable resources and applied in global markets such as bakery, meat, pharmaceuticals and medical devices, home and personal care, packaging, automotive, coatings, and adhesives. Its products have a differentiating functionality in all kinds of consumer products worldwide.

Corbion is based in Amsterdam, the Netherlands and listed on Euronext Amsterdam.

The consolidated financial statements drawn up by the Board of Management have been approved by the Supervisory Board on 1 March 2016. They will be presented to the General Shareholders' Meeting for adoption on 12 May 2016. The Supervisory Board will give a preliminary recommendation regarding the consolidated financial statements to the General Shareholders' Meeting.

In compliance with Section 2:402 of the Dutch Civil Code the income statement of Corbion nv is presented in a summarized form as it is incorporated in the consolidated financial statements.

Overview of prior period adjustments

Change in presentation

Certain prior year comparatives have been reclassified to conform to the current year's statement of financial position presentation. The reclassifications have been made to enable users of the financial statements to make a direct reconciliation to Corbion's operating working capital definition. The reclassifications are not material for the financial statement and are mainly caused by further refinement of the accounts involved in order to increase insight, understandability and comparability. In the 2014 statement of financial position, this affected the following accounts::

Millions of euros	2014 as previously reported	Reclassification	2014 after reclassifications
Trade receivables	103.9	(9.0)	94.9
Other receivables		9.0	9.0
Trade payables	57.0	13.6	70.6
Other non-interest-bearing current liabilities	66.9	(10.3)	56.6
Income tax payables (previously: tax liabilities)	5.9	(3.3)	2.6

Reported amounts

Unless stated otherwise all amounts in the financial statements are reported in millions of euros.

Exchange rates of main currencies in euros

	Average exchange rate 2015	Average exchange rate 2014	Exchange rate 31-12-2015	Exchange rate 31-12-2014
US dollar	1.11	1.33	1.09	1.21
Japanese yen	134.31	140.30	131.07	145.23
Brazilian real	3.69	3.12	4.31	3.22
Thai baht	38.01	43.13	39.25	39.91

2. Accounting principles

Basis of preparation

The consolidated financial statements of Corbion nv have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union. With the exception of financial instruments, the financial statements in general have been prepared on the basis of the historical cost principle.

New and amended standards adopted by the group

In 2015, Corbion applied all the new and amended standards and interpretations published by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), if and insofar as these applied to Corbion and were effective as at 1 January 2015.

The main effective changes applied by Corbion at 1 January 2015 are:

- Annual improvements to IFRSs 2010-2012 Cycle and 2011-2013 Cycle
Corbion applied the amendments to IFRSs included in the Annual improvements to IFRSs 2010-2012 Cycle and 2011-2013 Cycle for the first time in the current year. The application of the amendments had no impact on the disclosures or amounts recognized in the consolidated financial statements.

Accounting standards and interpretations not yet adopted

None of the new and amended IFRS and IFRIC interpretations not yet effective, have been applied by Corbion.

The main effective changes after 1 January 2016 are:

- IFRS 9 Financial instruments
IFRS 9 (2014) issued in July 2014 replaces most of the guidance in IAS 39. IFRS 9 will be effective for annual periods beginning on or after 1 January 2018, subject to endorsement in certain territories. Corbion is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 9.

- IFRS 15 Revenue from contracts with customers
IFRS 15 establishes a comprehensive framework for determining whether, how much, and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2017, with early adoption permitted. Corbion is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 15.

- IFRS 16 Leases
IFRS 16, published in January 2016, establishes a revised framework for determining whether a lease is recognised on the (consolidated) statement of financial position. It replaces existing guidance on leases, including IAS 17. IFRS 16 is effective on or after 1 January 2019, with early adoption permitted. Corbion will assess the potential impact on its consolidated financial statements resulting from the application of IFRS 16.

Corbion anticipates that the application of all other new and amended IFRS and IFRIC interpretations currently known for future periods will have no significant impact on the Corbion financial statements.

Consolidation

The consolidation includes the financial data of Corbion nv and its group companies (together “Corbion”). All inter-company receivables, debts, and transactions have been eliminated. Group companies are companies in which Corbion nv exercises control. The results of acquisitions and divestments are recognized from the moment that control is obtained or transferred.

Control is achieved when Corbion:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Corbion reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Foreign currency

The consolidated financial statements are in euros. The euro is Corbion nv’s functional and presentation currency. The functional currency is the currency of the primary environment where the group company operates and may therefore differ from one company to another. Transactions in other than the functional currency are translated at the exchange rates that apply on the transaction date. Any monetary assets and liabilities resulting from such transactions are translated at the exchange rates on the balance sheet date. Any exchange rate differences are recognized in the income statement or deferred in other comprehensive income as qualifying cash flow hedges and net investment hedges.

The assets and liabilities of consolidated foreign group companies and the long-term foreign-currency loans, which have been taken out to finance these subsidiaries, are converted into euros on the balance sheet date, taking taxes into account. The subsequent currency translation differences are incorporated in the translation reserve in equity. The results of the foreign group companies are translated into euros on the basis of average exchange rates. The difference between net profit on the basis of average exchange rates and net profit on the basis of the exchange rates as at the balance sheet date is incorporated in the translation reserve in equity. The same applies to exchange rate differences arising from borrowings and other financial instruments if they hedge the currency risk related to the net investments. If a foreign operation is divested or scaled down the associated cumulative currency translation differences are recognized as result in the income statement.

Property, plant, and equipment

Land, buildings, machines, installations, and other operating assets are valued at the acquisition price or the cost of production, subject to straight-line depreciation calculated over the estimated economic life and the estimated residual value. The cost of production includes the cost of materials and direct labor and an attributable part of the indirect costs. Land is not depreciated. Grants are deducted from the acquisition price or the production costs of the assets to which the grant relates. Property, plant, and equipment are tested for impairment if there are indications for this. Impairment is the amount by which the book value of the property, plant, and equipment exceeds the recoverable amount. The recoverable amount of an asset is the higher of (a) value in use and (b) fair value less cost to sell.

Intangible fixed assets

Goodwill
Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed.

Goodwill is valued at cost less impairment. Goodwill is tested for impairment annually – or more often if there are indications for impairment. Impairment is the amount by which the book value of the goodwill of a cash-generating unit exceeds the recoverable amount, being the higher of (a) value in use and (b) fair value less cost to sell. The value in use is the present value of the cash flows which the unit is expected to generate. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. If impairment is incurred, the impairment is charged to the income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods.
When an entity or activity is sold or closed down the goodwill allocated to the entity or activity is included in the calculations for the result of the sale.

Customer base
The customer base comprises the part of the paid acquisition sum which, upon acquisition, is allocated to the value of the acquired customer base. It is valued at fair value as at the acquisition date and amortized using a straight-line method over the estimated economic life. Amortization charges arising from the customer base are recognized in selling expenses. The value of the customer base is tested for impairment whenever there is an indication that the assets may be impaired.

Brands and licenses
Brands and licenses comprise the part of the paid acquisition sum which is allocated to the value of the acquired trademarks and product licenses. Brands and licenses are valued at fair value as at the acquisition date and are subject to straight-line amortization calculated over the estimated economic life. Amortization charges arising from brands and licenses are recognized in selling expenses. The value of the brands and licenses is tested for impairment whenever there is an indication that the assets may be impaired.

Research and development costs
Research and development costs comprise the part of the paid acquisition sum which is allocated to the value of the acquired research and development costs. These costs are valued at fair value as at the acquisition date. Own research costs are not capitalized, but charged to the income statement. Own development costs are capitalized if the appropriate criteria are met. Research and development costs are valued at cost and amortized using a straight-line method over the estimated economic life. Amortization charges arising from research and development costs are recognized in research and development costs. The value of the development costs is tested for impairment whenever there is an indication that the assets may be impaired.

Non-compete agreements
Non-compete agreements comprise the part of the paid acquisition sum which is allocated to the value of the acquired non-compete agreements. Non-compete agreements are valued at fair value as at the acquisition date and are subject to straight-line amortization calculated over the estimated economic life. Amortization charges arising from non-compete agreements are recognized in selling expenses. The value of the non-compete agreements is tested for impairment whenever there is an indication that the assets may be impaired.

Other intangible fixed assets
Other intangible fixed assets consist primarily of capitalized or acquired third-party software and licenses. Other intangible fixed assets are valued at historical cost if capitalized or at fair value if acquired and amortized on a straight-line basis over the estimated economic life. Software and licenses amortization charges are recognized in general and administrative expenses. Emission rights are not recognized in the statement of financial position as cost is zero. The value of the other intangible fixed assets is tested for impairment whenever there is an indication that the assets may be impaired.

Financial fixed assets

Loans, receivables, and other
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market (generally with a duration of more than one year). Such assets are initially recognized at fair value plus any directly related attributable costs. Subsequently they are valued at amortized costs using the effective interest method, less any impairment losses.

Available-for-sale assets are measured at fair value in the statement of financial position. Fair value changes on available-for-sale assets are recognized directly in equity, through the statement of changes in equity, except for interest on available-for-sale assets, impairment losses, and foreign exchange gains or losses.

Joint ventures and associates
Joint ventures and associates are accounted for using the equity method. A joint venture is a contractual agreement under which two or more parties conduct an economic activity and unanimous approval is required for financial and operating policies. An associate is an entity over which the company has significant influence but no control, generally involving an equity shareholding between 20% and 50% of the voting rights.

Deferred taxes

Deferred taxes concern tax loss carry forward and liabilities and assets arising from temporary differences between the tax bases and their carrying amounts in the consolidated financial statements of (in-)tangible fixed assets, inventories, and provisions. Deferred taxes are determined using tax rates that have been enacted at the balance sheet date and are expected to apply when the related deferred income tax is realized or the deferred tax liability is settled. Deferred tax assets are recognized if and insofar that is probable that future taxable profit will be available against which the temporary difference and tax loss carry forward can be utilized.

Tax assets and liabilities are netted when there is a legal right and the intention to offset. Deferred tax assets and liabilities with the same term and relating to the same fiscal unities are offset against each other.

Inventories

Inventories of raw materials, consumables, technical materials, and packaging are stated at the lower of cost (first in, first out) and net realizable value. Inventories of work in progress and finished products are stated at the lower of production cost and net realizable value. Total cost of production includes payroll costs and materials and an attributable part of the indirect production costs. A valuation adjustment is deducted for non-marketable inventories.

Receivables

Receivables are valued on the basis of the amortized cost using the effective interest rate method less provisions deemed necessary for non-collectability.

Cash and cash equivalents

Cash and cash equivalents comprise cash in bank, cash in hand, current deposits, money market funds, and highly liquid treasury bonds with original maturities of no more than three months. Bank overdrafts are presented as current interest-bearing liabilities.

Equity

Common shares and financing preference shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognized as an equity deduction, net of tax. The price paid for repurchased shares (treasury shares) is deducted from equity until the shares are cancelled or reissued. Dividend to be distributed to the holders of common shares is recognized as a liability upon approval of the profit appropriation by the annual General Shareholders' Meeting.

Corbion runs a share plan for the Board of Management and Senior Management and a share-based plan for Senior Management. The fair value of the right to shares on the date of allocation is recognized in the income statement as payroll costs over the vesting period. Liabilities arising from share-based plans with payment in shares are included in equity and valued only initially. Liabilities arising from share-based plans with payment in cash are included in provisions and revalued every period.

Provisions

Pension and early retirement schemes

Defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate pension plan or insurance company and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of changes to the asset ceiling (if applicable), and the return on plan assets (excluding interest) are reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service costs are recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- Net interest expense or income
- Remeasurements

The first two components of defined benefit costs are presented in profit or loss. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation in the consolidated statement of financial position represents the actual deficit or surplus in the defined benefit plans. Any surplus resulting from this

calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.
A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Other long-term employee benefit commitments
The other long-term employee commitments relate mainly to anniversary commitments, past service commitments, conditional incentive plans, and health insurance. The commitments arising from these benefits are accounted for similarly as defined benefit pension plans.

Reorganization, restructuring, and other
These provisions relate to a legal or constructive obligation as a result of a past event, the amount of which is uncertain but which can be estimated reliably and of which it is more likely than not that an outflow of resources is required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flow at a pre-tax rate that reflects the current market assessments of time value of money and the risks specific to the liability. A provision for reorganization is recognized after Corbion has approved a detailed and formal restructuring plan and the restructuring has either commenced or has been announced publicly. A provision for a legal claim is recognized if a reliable estimate can be made of the expected outcome of the claim, measuring the claim as a weighting of all possible outcomes against their probabilities. A provision for an onerous contract is recognized when the expected benefits to be derived from the contract are lower than the unavoidable costs of fulfilling its terms and conditions.

Liabilities
Interest-bearing liabilities are recognized initially at fair value and subsequently at amortized cost using the effective interest method. Upon sale or settlement of interest-bearing liabilities any profits or losses are directly recognized in the income statement.

Leases
Lease agreements in which the lessor transfers substantially all the risks and rewards of the ownership of an asset to the lessee are classified as financial leases. All assets and liabilities of a financial lease are capitalized at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Lease agreements that do not meet the conditions for a financial lease are classified as operational leases. Payments made are charged to income on a straight-line basis over the period of the lease.

Segment reporting
An operating segment is a component that engages in business activities from which it earns revenues and incurs expenses. All operating segments are reviewed regularly by the Board of Management to make decisions about resources to be allocated to the segments and assess its performance for which discrete financial information is available.

Net sales
Net sales comprises the proceeds of goods delivered to third parties less discounts and value-added tax. Net sale of goods is recognized when Corbion has transferred the actual risks and rewards of ownership of the goods to the buyer, when the amount of the proceeds can be reliably measured, and when it is probable that the economic benefits of the sale will flow to Corbion.

Costs of raw materials, packaging, and consumables

Costs of raw materials and consumables relate to the cost of consumption of raw materials, consumables, and packaging materials. Cost of raw materials and consumables are recognized in the income statement when the risks and rewards of ownership of the goods sold have been transferred to a party outside the group. These costs include the purchase price of all raw material and all directly attributable costs.

Production costs

Production costs are the costs relating to production operations.

Warehousing and distribution costs

Warehousing and distribution costs relate to the costs of warehousing and transport, including transport insurance.

Selling expenses

Selling expenses relate to the costs of marketing and sales.

General and administrative expenses

General and administrative expenses relate to the costs of administration, management, and IT.

Financial income and charges

Financial income comprises interest income on cash and cash equivalents and interest income on loans to other parties. Interest income is recognized in the period to which it relates, using the effective interest method.
Financial charges comprise interest expenses and exchange rate differences on borrowings, finance lease expenses, impairments on available-for-sale assets, and other financial expenses. All borrowing costs are recognized in the income statement using the effective interest method.

Taxes

Tax on the result is calculated on the basis of the result before taxes, taking account of untaxed profit elements, non- and part-deductible costs, and fiscal facilities. The prevailing nominal tax rates are applied. Non-recoverable withholding taxes on foreign dividends are taken into account.

Taxes in the income statement for the year comprise current and deferred taxes. Taxes are recognized in the income statement unless they relate to items directly recognized in equity. Current tax is the expected tax rate payable on the taxable income for the year, using statutory tax rates at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Financial instruments and hedge activities

Derivative financial instruments are used to manage exposure to foreign exchange risk, interest rate risk, and commodity price risk. Derivative financial instruments are recognized at fair value. The gains or losses on the remeasurement to fair value are immediately recognized in the income statement. However where derivative financial instruments qualify for hedge accounting, recognition depends on the nature of the item being hedged.

Fair value hedge

Fair value hedges hedge the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment. Changes in the fair value of a hedging derivative are recognized in the income statement. Changes in the fair value of the hedged item attributable to the risk hedged are recorded as part of the carrying value of the hedged item and are also recognized in the income statement.

Cash flow hedge

Cash flow hedges hedge possible fluctuations in cash flows which can be attributed to a certain currency, interest rate, or commodity price risk associated with a recognized asset or liability, or a highly probable expected future transaction. The effective part of changes in the fair value of derivative financial instruments which are designated and classified as cash flow hedge is recognized in equity. Gains or losses from the non-effective part are directly recognized in the income statement. If a hedging instrument expires, is sold, or if the instrument can no longer be qualified as a hedging instrument, the cumulative gains or losses remain in equity until the expected future transaction is recognized in the income statement. If the expected future transaction is no longer probable the cumulative result is transferred immediately from equity to the income statement.

Net investment hedge

Hedges for net investments in foreign operations are handled in a similar way as cash flow hedges. Gains or losses from the hedging instrument which can be attributed to the effective part of the hedge are recognized in equity; any gains or losses which cannot be attributed to the effective part are directly recognized as financial income or charges in the income statement. Cumulative gains or losses in equity are recognized in the income statement as soon as the foreign operation is partly divested or sold.

When entering into a hedge Corbion documents the relationship between the hedging instrument and the hedged position, along with the risk management objectives and strategy for entering into the various hedging transactions. At inception and on an ongoing basis Corbion documents whether the hedging instrument is highly effective in offsetting changes in the fair values or cash flows of the hedged positions effectively.

Discontinued operations and non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition and the sale must be highly probable. A discontinued operation is a component that either has been disposed of, or that is classified as held for sale, and: (i) represents a separate major line of business or geographical area of operations, or (ii) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations. Discontinued operations are stated on the basis of the lower of carrying amount and fair value less cost to sell. Discontinued operations are presented separately in the income statement and cash flow statement.
In accordance with IFRS 5, fixed assets related to discontinued operations will no longer be depreciated and amortized after the classification as held for sale.

Cash flow statement

The consolidated cash flow statement is drawn up using the indirect method. The items in the consolidated income statement and consolidated statement of the financial position have been adjusted for changes that do not impact cash inflow and outflow in the reporting year. Cash flows in foreign currencies are translated to the functional currency at the average foreign exchange rates unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case cash flows are translated at the rate on the dates of the transactions. Working capital consists of inventories and receivables minus non-interest-bearing current liabilities, excluding payable dividend, interest, and income tax. The interest-bearing debts consist of non-current and current liabilities.

Critical accounting estimates and judgments

Corbion makes use of accounting estimates and judgments. Described below are the estimates and judgments as at the balance sheet date that carry a substantial risk of a material adjustment to the book value of assets and liabilities in the next financial year.

Acquisitions

Corbion has a process in place to identify all assets and liabilities acquired, including intangible fixed assets. The judgments made in identifying all acquired assets, determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact the results of operations. Estimated fair values are based on information available around the acquisition date and on expectations and assumptions of anticipated discounted cash flows that have been assessed as reasonable by Corbion.

Goodwill impairment

Every year, Corbion tests the goodwill based on the higher of fair value less cost to sell and the value in use method. The value-in-use is calculated on the basis of estimates and judgments of the expected cash flows which are discounted on a WACC basis. For a description of the main estimates, valuation assumptions, and a sensitivity analysis of the applied assumptions see Note 11.

Valuation and impairment testing (in)tangible fixed assets

(In)tangible fixed assets are tested for sustained impairment if there is an indication of possible impairment. A key factor is the recoverable amount which is calculated on the basis of estimates and assumptions of anticipated discounted cash flows, on the one hand, and an estimate of the fair value less costs to sell, on the other.

Pension and early retirement schemes

Actuarial calculations are used to determine provisions for group personnel arrangements and net receivables or obligations from group pension plans. These calculations use assumptions in respect of future developments in salary, mortality, staff turnover, return on investments et cetera. Changes to these estimates and assumptions can lead to actuarial gains or losses which are recognized in the consolidated statement of comprehensive income. For more information on the applied assumptions see Note 20.

Taxes

Corbion is subject to various tax systems across the world. Estimates and judgments are used to determine the tax items in the financial statements. Interpretation differences in tax liabilities are also taken into account. For more information on taxes see Note 21.

3. Consolidated income statement before one-off items

The consolidated income statement for financial years 2015 and 2014 before one-off items (non-IFRS financial measures) can be presented as follows.

	2015			2014		
	Before one-off items	One-off items	Total	Before one-off items	One-off items	Total
Net sales	918.3		918.3	770.1		770.1
Costs of raw materials and consumables	-471.4		-471.4	-388.3		-388.3
Production costs	-140.7	4.0	-136.7	-120.7	-39.5	-160.2
Warehousing and distribution costs	-48.3		-48.3	-42.8		-42.8
Gross profit	**257.9**	**4.0**	**261.9**	**218.3**	**-39.5**	**178.8**
Selling expenses	-63.9	0.1	-63.8	-58.9	-5.8	-64.7
Research and development costs	-32.7		-32.7	-32.0	-3.9	-35.9
General and administrative expenses	-56.8		-56.8	-61.9	-3.4	-65.3
Operating result	**104.5**	**4.1**	**108.6**	**65.5**	**-52.6**	**12.9**
Less: depreciation/amortization/impairment (in)tangible fixed assets	45.8	1.8	47.6	44.1	37.8	81.9
EBITDA	**150.3**	**5.9**	**156.2**	**109.6**	**-14.8**	**94.8**
Depreciation/amortization/impairment (in)tangible fixed assets	-45.8	-1.8	-47.6	-44.1	-37.8	-81.9
Operating result	**104.5**	**4.1**	**108.6**	**65.5**	**-52.6**	**12.9**
Financial income				0.1		0.1
Financial charges	-5.8		-5.8	-6.4	-3.1	-9.5
Results from joint ventures and associates	-0.6		-0.6	-1.6		-1.6
Result before taxes	**98.1**	**4.1**	**102.2**	**57.6**	**-55.7**	**1.9**
Taxes	-23.6	1.6	-22.0	-17.4	-2.8	-20.2
Result after taxes	**74.5**	**5.7**	**80.2**	**40.2**	**-58.5**	**-18.3**

One-off items may occur up to and including results after taxes.
One-off items relate to material non-recurring items in the income statement that are exceptional by nature and are not related to the normal course of business. These exceptional items include amongst others write down of inventories to net realizable value, reversals of write downs, impairments, reversals of impairments, additions to and releases from provisions for restructuring and reorganization, results on assets sold, gains on the sale of subsidiaries, joint ventures and associates, and any other provision being formed or released. The company considers events exceptional (one-off) when the aggregate amount of the events per line item of the income statement exceeds a threshold of € 0.5 million.

In 2014, a total of € 58.5 million one-off items were recorded, including the following major items:

1. Impairments of € 20.2 million, all non-cash items, related to the closure of our Kansas Avenue powder blending plant (€ 8.2 million). Furthermore, impairments were recognized for pre-engineering costs due to a scope change of an envisaged expansion of the lactic acid plant in Thailand (€ 7.9 million), and other (€ 4.1 million).
2. Partial, non-cash, impairment of our Thailand based lactide plant of € 17.5 million.
3. Reorganization charge of € 12.1 million mostly related to "Streamline", our productivity improvement program.
4. In 2014 agreement was reached with respect to the contractual obligations towards the former Board of Management, amounting to € 2.8 million.
5. An impairment on the financial expense line of € 3.1 million which relates to an equity investment in an entity.

6. The relatively high tax charge on exceptional items is partially caused by the reversal of deferred tax assets, further to a review by management on the recoverability of such deferred tax assets.

In 2015, a total of € 5.7 million one-off items were recorded:

1. One-off insurance gains of € 10.4 million related to Grandview incident in March 2015.
2. Cost incurred € 5.4 million related to the explosion at the Grandview manufacturing facility of which an impairment of tangible fixed assets of € 1.1 million.
3. A one-off gain of € 0.7 million as a result of a release of the reorganization provision related to "Streamline".
4. One-off costs of € 0.8 million incurred related to the closure of the Kansas Avenue powder blending plant.
5. Furthermore, an impairment was recognized of € 0.8 million due to an obsolete production line in the Netherlands.
6. Tax effects on the above items of € 1.7 million.
7. Net positive tax effects of € 3.3 million related to the divestment of the Bakery Supplies businesses in 2013.

4. Segment information

For its strategic decision-making process Corbion distinguishes between Biobased Ingredients and Biobased Innovations. For IFRS segmentation purposes Biobased Ingredients has been segmented into two further businesses, Food and Biochemicals. The unallocated part of total operations mainly comprises central activities.

In the Food segment, our food ingredients portfolio keeps food safe and fresh, from creation to consumption, and as such, reduces food waste. It ranges from preservation ingredients to microbial spoilage prevention and ingredients that keep food fresh and tasty throughout shelf life. The combined use of industry knowledge and scientific creativity enables us to offer industry-leading biobased technology and sustainability gains. Our future-focused thinking impacts every industry ranging from baking, meat, and dairy to confectionery and beverage.

In the Biochemicals segment, our biobased chemicals derived from renewable resources such as sugar or starch, are a sustainable alternative to fossil-based chemicals in various applications, including cleaning detergents, hand soap, coatings, and animal feed. Offering improved performance and multiple benefits, our biobased solutions are versatile and, at the same time, provide lower cost in use with enhanced environmental credentials.

Our Biobased Innovations business unit creates new business platforms to help advance biotechnology developments. Our PLA/lactide business and the succinic-acid joint venture with BASF (Succinity) are part of this unit. Our longer-term development projects, such as our gypsum-free fermentation technology, lactic acid based on second-generation biomass, and FDCA are also included in this business unit. We will drive for growth via a disciplined stage-gate investment approach using our own core technology platforms, acquired or licensed technologies, and partnerships to improve our chance of success.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Segment information by business area

	Food		Biochemicals		Biobased Innovations		Unallocated (central activities)		Corbion total operations	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Income statement information										
Net sales	687.8	573.5	208.1	186.4	22.4	10.2			918.3	770.1
Operating result	109.9	66.5	34.0	24.4	-14.9	-52.2	-20.4	-25.8	108.6	12.9
One-off items included in operating result	-4.4	17.7	0.3	2.7		30.3		1.9	-4.1	52.6
Operating result excluding one-off items	105.5	84.2	34.3	27.1	-14.9	-21.9	-20.4	-23.9	104.5	65.5
Alternative non-IFRS performance measures										
EBITDA	135.1	97.2	45.5	36.2	-4.7	-14.2	-19.7	-24.4	156.2	94.8
One-off items included in EBITDA	-5.9	8.3		2.0		2.6		1.9	-5.9	14.8
EBITDA excluding one-off items	129.2	105.5	45.5	38.2	-4.7	-11.6	-19.7	-22.5	150.3	109.6
Ratios alternative non-IFRS performance measures										
EBITDA margin %	19.6	16.9	21.9	19.4					17.0	12.3
EBITDA margin % excluding one-off items	18.8	18.4	21.9	20.5					16.4	14.2

Corbion generates almost all of its revenues from the sale of goods.

Information on the use of alternative non-IFRS performance measures

In the above table and elsewhere in the financial statements a number of non-IFRS performance measures is presented. Management is of the opinion that these so-called alternative performance measures might be useful for the readers of these financial statements. Corbion management uses these performance measures to make financial, operational, and strategic decisions and evaluate performance of the segments. The alternative performance measures can be calculated as follows:

- EBITDA is the operating result before depreciation, amortization, and impairment of (in)tangible fixed assets
- EBITDA margin is EBITDA divided by net sales x 100

Segment information by geographical region

	Net sales		Non-current assets	
	2015	2014	2015	2014
The Netherlands	108.1	97.5	148.3	140.4
Rest of Europe	66.7	63.7	33.0	36.5
North America	591.3	483.3	185.4	148.7
Other countries	152.2	125.6	87.2	95.9
Corbion total operations	**918.3**	**770.1**	**453.9**	**421.5**

The above information is based on the geographical location of the assets. Non-current assets exclude those relating to deferred tax assets.

5. Payroll and social insurance

	2015	2014
Payroll	126.7	114.8
Pension premiums – defined benefit pension plans	0.1	0.3
Pension premiums – defined contribution pension plans	8.6	9.4
Other social insurance	13.1	13.4
Share-based remuneration	1.2	2.2
Total	**149.7**	**140.1**

6. Depreciation/amortization of (in)tangible fixed assets

	2015	2014
Depreciation of property, plant, and equipment	39.0	40.1
Amortization of intangible fixed assets	6.9	4.0
Total	**45.9**	**44.1**

7. Financial income and charges

	2015	2014
Interest income		-0.1
Interest charges	5.9	4.7
Exchange rate differences	-0.7	0.9
Interest (income) expense on defined benefit pension plans - net	0.5	0.3
Impairment of financial asset classified as available-for-sale		3.1
Other	0.1	0.5
Total	**5.8**	**9.4**

8. Taxes

	2015	2014
Current tax	28.6	18.3
Deferred tax	-6.6	1.9
Tax charge (income)	**22.0**	**20.2**

Reconciliation of result before taxes and tax charge

	2015	2014
Result before taxes	**102.2**	**1.9**
Applicable tax charge at average statutory tax rate	33.9	3.6
Income not subject to tax	-9.5	-4.7
Expenses not deductible for tax purposes	1.6	2.9
Effect of the reversal of tax assets	-2.3	15.1
Additions/releases of tax provision	0.8	0.7
Prior years effects	-2.5	2.6
Tax charge (income)	**22.0**	**20.2**
Average tax rate	**21.5%**	**1,063.2%**

The average statutory tax rate is the average of the statutory tax rates in the countries where Corbion operates, weighted on the basis of the result before taxes in each of these countries.

The realization of deferred tax assets depends on the expected future profitability. Based on management's expectations the valuation allowance has been reduced.

The adjustment in respect of prior years reflects the effects of changes to relevant regulations, facts, or other factors compared to those used in establishing the current tax position or deferred tax balance in previous years.

Breakdown of the tax charge recognized in equity

	2015	2014
Tax liability due to loan-related exchange rate differences	4.1	1.7
Tax liability due to hedge results of financial instruments	0.7	0.2
Tax charge due to remeasurement of defined benefit obligation	-0.6	-0.7
Tax charge (income) recognized in equity	**4.2**	**1.2**

9. Earnings per common share

Earnings per common share are calculated by dividing the profit available for holders of common shares by the weighted average number of outstanding common shares in Corbion nv.
Diluted earnings per common share are calculated by dividing the profit available for holders of common shares by the weighted average number of outstanding common shares in Corbion nv adjusted for the effects of potential exercise of share rights by the Board of Management and senior management.

	2015	2014
Result after taxes	**80.2**	**-18.3**
Minus: dividend financing preference shares	2.2	2.4
Profit available for holders of common shares (A)	**78.0**	**-20.7**
Weighted average number of outstanding common shares (B)	60.4	61.8
Plus: common shares related to share rights	0.5	0.4
Weighted average number of outstanding common shares after dilution (C)	**60.9**	**62.2**
Per common share in euros		
Basic earnings (A/B)	1.29	-0.34
Diluted earnings (A/C)	1.28	-0.33

10. Property, plant, and equipment

	Land	Buildings	Machinery and equipment	Other fixed assets	Under construction	Total
1 January 2014						
Acquisition prices	18.4	139.7	479.3	46.6	61.0	745.0
Cumulative depreciation		-56.9	-342.6	-35.3		-434.8
Book value	**18.4**	**82.8**	**136.7**	**11.3**	**61.0**	**310.2**
Movements						
Capital expenditure		0.2	0.5	1.2	52.7	54.6
Divestments			-0.3	-0.2		-0.5
Exchange rate differences	1.4	7.1	8.7	0.5	3.0	20.7
Depreciation		-6.3	-29.7	-4.1		-40.1
Impairment		-10.0	-17.4		-7.9	-35.3
Other		8.0	37.5	2.5	-64.4	-16.4
Reclassification as assets held for sale	-3.3	-1.2				-4.5
Net movement in book value	**-1.9**	**-2.2**	**-0.7**	**-0.1**	**-16.6**	**-21.5**
31 December 2014						
Acquisition prices	16.5	147.6	542.2	52.0	52.9	811.2
Cumulative depreciation		-67.0	-406.2	-40.8	-8.5	-522.5
Book value	**16.5**	**80.6**	**136.0**	**11.2**	**44.4**	**288.7**
Movements						
Capital expenditure			5.6	0.7	51.2	57.5
Divestments				-0.7		-0.7
Exchange rate differences	0.5	2.9	2.4	0.1	2.3	8.2
Depreciation		-7.2	-29.8	-2.0		-39.0
Impairment			-1.9			-1.9
Other		24.4	20.6	0.1	-50.5	-5.4
Net movement in book value	**0.5**	**20.1**	**-3.1**	**-1.8**	**3.0**	**18.7**
31 December 2015						
Acquisition prices	17.0	177.2	571.5	34.9	54.9	855.5
Cumulative depreciation		-76.5	-438.6	-25.5	-7.5	-548.1
Book value	**17.0**	**100.7**	**132.9**	**9.4**	**47.4**	**307.4**
Depreciation rates		2.5 - 4%	6.7-12.5%	20-50%		

The property, plant, and equipment item includes fixed assets with a book value of € 0.1 million (31 December 2014: € 0.2 million) which are financed through a financial lease.

In 2014, the following impairments were recorded:

- An impairment of our Thailand-based lactide plant (part of the Biobased Innovations segment) based on a reassessment of volume development and timing (recorded partly in the Buildings category and partly in the Machinery and equipment category) of THB 702 million (€ 17.6 million). In this (value-in-use) impairment calculation, the terminal value assumes no growth. The pre-tax discount rate used is 13.1%. The net present value of the projected cash flows underlying the impairment calculation is sensitive to aforementioned assumptions, especially the volume development. In case the assumed volume development would accelerate (delay) by 1 year this would have a positive (negative) impact of approximately € 10 million on the calculated net present value.

- The “Streamline” program resulted in several assets being impaired, the most significant being the impairment of the Kansas Avenue plant of € 8.2 million in the Food segment, which is expected to be closed in 2015. The recoverable amount of the building is based on the fair value less costs to sell, supported by an external valuation. Furthermore, impairments were recognized for pre-engineering costs due to a scope change of an envisaged expansion of the lactic acid plant in Thailand (€ 7.9 million) and obsolescence of certain assets in the US Blair plant (€ 1.5 million).

The “Other” movement relates to a transfer of assets from tangible fixed assets to intangible fixed assets.

In 2015, the following impairments were recorded:

- An impairment of tangible fixed assets of € 1.1 million related to the explosion of the Grandview manufacturing facility (part of the Food segment).
- An impairment was recognized of € 0.8 million due to an obsolete production line in the Netherlands.

11. Intangible fixed assets

	Goodwill	Customer base	Brands and licenses	Research and development costs	Other intangible fixed assets	Total
1 January 2014						
Acquisition prices	54.7	13.1	32.0	18.3	2.9	121.0
Cumulative amortization	-2.8	-7.3	-3.4	-7.6	-2.4	-23.5
Book value	**51.9**	**5.8**	**28.6**	**10.7**	**0.5**	**97.5**
Movements						
Capital expenditure			0.3	4.5	3.1	7.9
Exchange rate differences	6.3	0.6	0.7			7.6
Amortization		-1.1	-1.0	-1.2	-0.7	-4.0
Impairment				-2.5		-2.5
Other				16.4		16.4
Net movement in book value	**6.3**	**-0.5**		**17.2**	**2.4**	**25.4**
31 December 2014						
Acquisition prices	61.3	14.9	33.3	39.1	6.0	154.6
Cumulative amortization	-3.1	-9.6	-4.7	-11.2	-3.1	-31.7
Book value	**58.2**	**5.3**	**28.6**	**27.9**	**2.9**	**122.9**
Movements						
Capital expenditure		6.6		2.7	0.7	10.0
Exchange rate differences	6.0	0.6	0.6			7.2
Amortization		-2.2	-1.1	-1.2	-2.4	-6.9
Other					5.4	5.4
Net movement in book value	**6.0**	**5.0**	**-0.5**	**1.5**	**3.7**	**15.7**
31 December 2015						
Acquisition prices	67.7	23.2	34.4	41.8	30.2	197.3
Cumulative amortization	-3.5	-12.9	-6.3	-12.4	-23.6	-58.7
Book value	**64.2**	**10.3**	**28.1**	**29.4**	**6.6**	**138.6**
Amortization rate		7 - 10%	5 - 10%	33.3%	33.3%	

Goodwill impairment test

Goodwill is allocated to Corbion's cash generating units (CGUs) identified as the operating segments. The Food and Biochemicals operating segments represent the levels to which company goodwill is allocated for the purposes of impairment testing. The Biobased Innovations segment does not contain any goodwill.

Main reasons for this approach are:

- It represents a non-arbitrary, reasonable, and consistent basis for the allocation of goodwill.
- The allocation is in line with the expected synergies at the time of an acquisition with benefits for more than one entity.
- The allocation represents the lowest level where goodwill is monitored by the Board of Management, while not being larger than the operating segments.

Breakdown of the book value of the goodwill by segment

	As at 31-12-2015	As at 31-12-2014
Food	62.1	56.0
Biochemicals	2.2	2.2
Total operations	**64.3**	**58.2**

The recoverable amount of both segments is determined using a value-in-use method. The main assumptions used are derived from the financial and business plans for 2016 which have been approved by the Board of Management. From 2017 onwards a stable growth of 1% is taken into account in combination with a relatively constant cost structure.

The future cash flows are discounted on the basis of the WACC before tax.

Overview of the WACC used

	As at 31-12-2015		As at 31-12-2014	
	pre-tax	post-tax	pre-tax	post-tax
Food	9.8%	6.9%	10.1%	7.1%
Biochemicals	10.2%	7.7%	10.0%	7.9%

In addition, sensitivity analyses have been carried out in respect of the assumptions using:
- A terminal value growth of 0%
- A discount rate of +1%

Both assumptions applicable at the same time would not lead to any impairment.

Given the above assumptions and the outcome of analyses, the Board of Management has concluded that the value in use of both segments is not lower than the book value of the segments including goodwill.

Impairment testing other intangible fixed assets

In 2014, impairments of in total € 2.5 million were recognized for intangible fixed assets. In the Biobased Innovations segment an impairment was recorded for the project for the development of an alternative microorganism (€ 1.4 million). Further the related intangible assets, as part of the impairment of the lactide plant, were impaired. As a result of the strategy update pre-engineering costs were impaired due to a scope change of an envisaged expansion of the lactic acid production plant in Thailand.

In 2015, no impairments were recorded for intangible fixed assets.

The "Other" movement relates to transfers of assets from tangible fixed assets to intangible fixed assets.

12. Investments in joint ventures and associates

	2015		2014	
	Joint ventures	Associates	Joint ventures	Associates
Carrying amount of interests	4.8	1.6	5.2	1.4
Share of total profit and loss	-0.4	-0.2	-0.7	-0.9

13. Other non-current financial assets

	Long-term receivables
As at 1 January 2014	**4.9**
Investment	1.4
Impairments	-3.0
As at 31 December 2014	**3.3**
Investment	0.2
Reclassification to short term receivables	-2.0
As at 31 December 2015	**1.5**

The book value of the long-term receivables does not significantly deviate from the fair value.

14. Inventories

	As at 31-12-2015	As at 31-12-2014
Raw materials, consumables, technical materials, and packaging	44.9	36.5
Work in progress	11.9	15.9
Finished product	80.1	79.0
Impairment provision	-3.9	-3.0
Total	**133.0**	**128.4**

Movements in impairment provision

	2015	2014
As at 1 January	**-3.0**	**-1.1**
Additions	-1.4	-1.7
Releases	0.4	
Use	0.1	-0.2
As at 31 December	**-3.9**	**-3.0**

15. Receivables

	As at 31-12-2015	As at 31-12-2014
Trade receivables	99.4	96.5
Impairment provision	-2.5	-1.6
Total trade receivables	**96.9**	**94.9**
Other receivables	13.4	5.7
Derivatives	0.1	0.7
Prepayments and accrued income	2.2	2.6
Total other receivables	**15.7**	**9.0**
Total receivables	**112.6**	**103.9**

The remaining term of receivables is less than one year. The face value of the receivables (excluding derivatives) does not significantly deviate from the fair value.

The credit risk associated with trade receivables is managed by local finance. Periodically, each entity reports the expired credit terms and movements in the provisions for trade receivables to the Board of Management. The maximum credit risk in respect of trade receivables is € 99.4 million (2014: € 96.5 million).

Trade receivables are non interest-bearing and generally have an average term of credit of 30-90 days. The impairment provision is based on expired terms of credit and defined individually. The trade receivables item includes an amount of € 16.3 million in receivables with expired terms of credit which are expected to be received and are therefore not provided for.

Breakdown of expired credit terms

	Total	< 30 days	30-60 days	60-90 days	> 90 days
Food	12.1	8.2	1.7	0.5	1.7
Biochemicals	3.7	2.5	0.5	0.2	0.5
Biobased Innovations	0.5	0.3	0.1		0.1
Total	**16.3**	**11.0**	**2.3**	**0.7**	**2.3**

Movements in impairment provision

	2015	2014
As at 1 January	**-1.6**	**-2.0**
Additions/releases	-0.8	0.7
Use		
Exchange rate differences	-0.1	-0.3
As at 31 December	**-2.5**	**-1.6**

The additions/releases of this impairment provision are recognized as selling expenses.

16. Cash and cash equivalents

	As at 31-12-2015	As at 31-12-2014
Cash and bank balances	92.1	51.4
Short-term deposits		60.0
Total	**92.1**	**111.4**

The cash and cash equivalents are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

17. Non-current assets held for sale

	As at 31-12-2015	As at 31-12-2014
Land		3.3
Building		1.2
Total		**4.5**

18. Equity

Share capital
As at 31 December 2014, the authorized share capital totaled € 50 million, consisting of 182 million common shares with a nominal value of € 0.25 each and 18 million financing preference shares with a nominal value of € 0.25 each, divided into three series of six million named FPA, FPB, and FPC.

The series of financing preference shares have the following dividend percentages and dividend review dates.

	Dividend	First dividend review date	Review interval
FPA series	2.67%	1 August 2017	five years
FPB series	2.67%	1 August 2017	five years
FPC series	6.40%	1 August 2017	five years

Holders of financing preference shares have priority over holders of common shares regarding dividend payments and liquidation proceeds.
The average dividend until the first dividend review date on outstanding financing preference shares is 3.93%.

Movements in number of issued shares

	Common	FPA	FPB	FPC	Total preference shares
As at 1 January 2015	**62,041,761**	**852,512**	**852,512**	**869,257**	**2,574,281**
Withdrawn shares	-2,487,296	-56,470	-56,470	-57,560	-170,500
Stock dividend	349,744				
As at 31 December 2015	**59,904,209**	**796,042**	**796,042**	**811,697**	**2,403,781**

Movements in number of shares with dividend rights

	Common	FPA	FPB	FPC	Total preference shares
As at 1 January 2015	**61,557,106**	**852,512**	**852,512**	**869,257**	**2,574,281**
Acquired shares	-2,487,296	-56,470	-56,470	-57,560	-170,500
Share-based remuneration	1,209				
Stock dividend	349,744				
As at 31 December 2015	**59,420,763**	**796,042**	**796,042**	**811,697**	**2,403,781**

Movements in treasury stock common shares

	Number	Nominal amount (in euros)
As at 1 January 2015	**484,655**	**121,164**
Acquired shares	2,487,296	621,824
Share-based remuneration	-1,209	-302
Withdrawn shares	-2,487,296	-621,824
As at 31 December 2015	**483,446**	**120,862**

As at 31 December 2015, Corbion had a treasury stock of 483,446 common shares at its disposal with a nominal value of € 0.25 each (representing 0.8% of the total share capital issued). Treasury stock shares have no dividend rights.

Acquired shares

During the reporting year the company acquired a total of 2,487,296 shares with a nominal value of € 0.25 each at a total acquisition price of € 46.0 million.

Further, the company acquired 170,500 preference shares at a total acquisition price of € 4.0 million. The costs of € 50.0 million arising from the acquired shares during the reporting year, have been charged to the reserves.

Stock dividend

During the reporting year the company placed at the common shareholders' disposal a stock dividend totaling 349,744 shares (2014: 364,846) with a nominal value of € 0.25 each.

The total nominal value of € 87,436 (2014: € 91,212) arising from the stock dividend during the reporting year has been charged to the share premium reserve.

Other reserves

	Movements in legal reserves				
	Translation reserve	Hedge reserve	Development costs	Share plan reserve	Total
As at 1 January 2014	**1.9**	**-0.3**	**10.7**	**1.8**	**14.1**
- Net investment hedge					
Exchange rate differences foreign currency loan	-12.4				-12.4
Tax effect	3.1				3.1
- Translation difference					
Foreign group companies	39.7				39.7
Tax effect	-4.8				-4.8
- Cash flow hedge					
Fluctuations in fair value derivatives		0.9			0.9
Tax effect		-0.2			-0.2
- Share-based remuneration charged to result				2.2	2.2
- Share-based remuneration transfers				-0.9	-0.9
- Movement in capitalization of development costs			17.2		17.2
As at 31 December 2014	**27.5**	**0.4**	**27.9**	**3.1**	**58.9**
- Net investment hedge					
Exchange rate differences foreign currency loan	-11.5				-11.5
Tax effect	2.9				2.9
- Translation difference					
Foreign group companies	20.5				20.5
Tax effect	-7.0				-7.0
- Cash flow hedge					
Fluctuations in fair value derivatives		2.9			2.9
Tax effect		-0.7			-0.7
- Share-based remuneration charged to result				1.2	1.2
- Share-based remuneration transfers				-0.7	-0.7
- Movement in capitalization of development costs			1.5		1.5
As at 31 December 2015	**32.4**	**2.6**	**29.4**	**3.6**	**68.0**

In specific circumstances legal reserves must be created in accordance with Part 9, Book 2 of the Dutch Civil Code. The legal reserves comprise the translation reserve, hedge reserve, and development costs reserve. In case a legal reserve has a negative value no payments can be made from the retained earnings up to the level of the negative value(s). The positive legal reserves as at 31 December 2015 amount to € 64.4 million.

A reserve for non-transferable profits is not applicable as Corbion is not subject to any restrictions to transfer profits from its operations in the different countries.

19. Provisions

	As at 31-12-2015	As at 31-12-2014
Pension and early retirement schemes	10.6	9.4
Other long-term employee benefit commitments	3.0	2.4
Reorganization and restructuring	4.3	16.4
Other	1.7	1.9
Total	**19.6**	**30.1**

Movements in provisions

	Pension and early retirement schemes	Other long-term employee benefit commitments	Reorganization and restructuring	Other	Total
As at 1 January 2015	**9.4**	**2.4**	**16.4**	**1.9**	**30.1**
Addition charged to result	1.0	0.8	1.5	0.1	3.4
Release credited to result	-0.4		-2.4		-2.8
Equity movements	1.6				1.6
Withdrawal for intended purpose	-2.1		-11.3	-0.8	-14.2
Exchange rate differences	0.7	0.2	0.5	0.1	1.5
Transfers	0.4	-0.4	-0.4	0.4	
As at 31 December 2015	**10.6**	**3.0**	**4.3**	**1.7**	**19.6**
Short-term part included in provisions					
As at 31 December 2015			**4.3**	**1.7**	**6.0**

Pension and early retirement schemes
Pension and early retirement schemes relate to post-employment defined benefit arrangements. For more information on pensions see Note 20.

Other long-term employee benefit commitments
Other long-term employee benefit commitments relate mainly to anniversary commitments, past-service commitments, conditional incentive plans, and health insurance.

Reorganization and restructuring
This provision relates mainly to “Streamline”, a productivity improvement program to align the organization with our portfolio choices, simplify our business processes, and optimize our manufacturing footprint.

Other
The other provisions relate mainly to loss-making contracts, legal disputes, and other litigation risks.

20. Pensions

Corbion sponsors defined benefit pension plans in the US and UK. Both plans are closed schemes and based on final pay. Further, Corbion sponsors a legal severance payment plan in Thailand. All plans have been established in accordance with the legal requirements of the countries involved. The defined benefit plans are administered by a separate fund that is legally separated from the entity. The board of the pension fund is composed of an equal number of representatives from both employers and (former) employees.
The plans typically expose the group to actuarial risks such as investment risk, interest rate risk, and longevity risk.

- Investment risk
  The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high-quality corporate bond yields; if the return on plan assets is below this rate, it will create a plan deficit. Currently the plans have a relatively balanced investment in mainly equity securities and debt instruments.
- Interest risk
  A decrease in the bond interest rate will increase the plan liability; however, this will be partly offset by an increase in the return on the plan's debt investments.
- Longevity risk
  The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

The defined benefit obligation as per year-end consisted for the vast majority of the UK plan and is summarized below:
- The Normal Retirement Age (NRA) is 65; however, Section 1 members are able to take their benefits in respect of pre 1 October 2003 service unreduced from age 60.
- Pensions in deferment increase in line with statutory revaluation with the exception of pre 1 October 2003 benefits for Section 1 members, which have an underpin linked to the level of pension increases in payment (which are linked to Retail Price Index (RPI)).
- Pensions in payment increase in line with RPI capped at 5% for benefits in respect of pre 1 January 2006 service and RPI capped at 2.5% for benefits in respect of post 31 December 2005 service.

The UK pension scheme is in a deficit situation. For this plan a recovery plan has been agreed in 2013 for which Corbion will contribute additional funding payments of GBP 1.1 million per year (commencing in 2013) with an increase of 5% per year payable until 2021 or until the scheme is no longer in a deficit situation.

The strategic investment policy of the scheme can be summarized as follows:
- A strategic asset mix comprising 50% in return-seeking assets and 50% in matching (bond-type) assets.
- The return-seeking asset portfolio comprises a mix of equity investments and diversified growth funds.
- Interest rate and inflation risk is managed through the use of liability-driven investments and corporate bonds of an appropriate duration.
- Currency risk is managed by implementing a 50% currency hedge on the global equity holding.

The average duration of the defined benefit obligation as at 31 December 2015 is 24.5 years.

Breakdown of the amounts recognized in respect of defined benefit pension plans in the income statement and statement of comprehensive income

	2015	2014
Current service costs	0.1	0.5
Net interest expense	0.5	0.3
Gains/losses from significant settlements		-0.2
Total pension costs recognized in income statement	**0.6**	**0.6**
Remeasurements on the net defined benefit liability		
- Return on plan assets (excluding amounts included in interest income)	0.7	-3.9
- Actuarial (gains)/losses arising from changes in demographic assumptions	0.4	0.7
- Actuarial (gains)/losses arising from changes in financial assumptions	-1.4	5.5
- Actuarial (gains)/losses arising from experience adjustments	1.9	-0.9
Total pension costs recognized in other comprehensive income	**1.6**	**1.4**
Total	**2.2**	**2.0**

The amounts recognized in the statement of financial position

	As at 31-12-2015	As at 31-12-2014
Present value of defined benefit obligations	83.4	75.6
Fair value of plan assets	72.8	66.2
Funded status	**10.6**	**9.4**
Restrictions on assets recognized		
Net liability	**10.6**	**9.4**

Movements in defined benefit obligation

	2015	2014
As at 1 January	**75.6**	**74.1**
Current service costs	0.1	0.5
Interest charges	3.1	3.2
Pension payments	-2.0	-5.0
Remeasurement (gains)/losses		
- Actuarial (gains)/losses arising from changes in demographic assumptions	0.4	0.7
- Actuarial (gains)/losses arising from changes in financial assumptions	-1.4	5.5
- Actuarial (gains)/losses arising from experience adjustments	1.9	-0.9
Significant settlements		-8.1
Exchange rate differences	5.3	5.6
Reclassification	0.4	
As at 31 December	**83.4**	**75.6**

Movements in fair value of plan assets

	2015	2014
As at 1 January	**66.2**	**64.0**
Interest income	2.6	2.9
Pension payments	-2.0	-3.5
Contributions from the employer	2.1	1.9
Remeasurement gains/(losses)		
- Return on plan assets (excluding amounts included in interest income)	-0.7	3.9
Significant settlements		-7.9
Exchange rate differences	4.6	4.9
As at 31 December	**72.8**	**66.2**

The settlement reported above in defined benefit obligation and the fair value of plan assets in 2014 relates to a TPIE (Total Pension Increase Exchange) exercise for the CSM UK fund. Deferred members over the age of 55 were offered a transfer value to a personal pension, which was then converted into an immediate pension with no pension increase. As a result of the transfer, the liabilities and assets of the scheme were reduced.

The actual return on plan assets was € 1.9 million positive (2014: € 6.8 million positive).

The investment strategy is based on the composition of the obligations of the pension schemes. Based on Asset Liability Management models analyses have been performed on a regular basis to define the investment portfolio. At year-end the asset allocation was as follows.

Asset categories of plan assets

	2015	2014
Quoted equity securities	24.5	34.9
Unquoted equity securities		
Quoted debt securities	37.4	22.9
Other	10.9	8.4
Total assets	**72.8**	**66.2**

The main weighted average actuarial assumptions

	2015	2014
Discount rate	3.8%	3.7%
Salary growth rate		
Pension growth rate	2.5%	3.0%

Sensitivity of the defined benefit obligation to changes in the weighted principal assumptions

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	(8.5)	9.6
Salary growth rate	0.50%		
Pension growth rate	0.50%	5.6	(6.0)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognized within the consolidated statement of financial position.

The expected contributions to the defined benefit pension plans in the coming year amount to € 2.2 million.

21. Deferred tax

Breakdown of deferred tax assets and liabilities

	2015	2014
Deferred tax liabilities	9.4	10.1
Deferred tax assets	-11.6	-16.0
As at 1 January	**-2.2**	**-5.9**
Tax charge in income statement	-6.6	1.9
Translation differences foreign group companies	0.2	0.6
Tax charge movements in equity	4.2	1.2
As at 31 December	**-4.4**	**-2.2**
Deferred tax liabilities	11.5	9.4
Deferred tax assets	-15.9	-11.6
As at 31 December	**-4.4**	**-2.2**

Breakdown of deferred tax assets and liabilities by type

	As at 31-12-2015		As at 31-12- 2014	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Property, plant, and equipment	-4.2	9.0	-6.3	10.6
Intangible fixed assets	-7.8	12.6	-9.5	11.1
Current assets/liabilities	-3.4	4.2	-0.5	4.7
Tax loss carry forward	-7.5		-3.4	
Provisions	-7.7	0.4	-9.4	0.3
Other				0.2
	-30.6	**26.2**	**-29.1**	**26.9**
Netting	14.7	-14.7	17.5	-17.5
Total	**-15.9**	**11.5**	**-11.6**	**9.4**

The short-term part of deferred tax assets, after write-down and netting with the short-term part of deferred tax liabilities, amounts to € 1.3 million (2014: € 2.0 million).

Breakdown of deferred taxes due to tax loss carry forward

	As at 31-12-2015	As at 31-12-2014
Total tax loss carry forward	138.9	153.1
Tax loss carry forward not qualified as deferred tax asset	-108.9	-139.4
Tax loss carry forward qualified as deferred tax asset	**30.0**	**13.7**
Average tax rate	25.0%	25.0%
Deferred tax asset	**7.5**	**3.4**

Expiry date of tax losses carry forward not qualified as deferred tax asset

	As at 31-12-2015	As at 31-12-2014
Within 5 years	6.7	6.5
Between 5 and 10 years	34.1	53.5
10 years or longer		51.3
No expiry date	68.1	28.1
Tax loss carry forward not qualified as deferred tax asset	**108.9**	**139.4**

Breakdown of the tax charge arising from deferred tax assets and liabilities in the income statement by type

	2015	2014
Property, plant, and equipment	-0.3	1.4
Intangible fixed assets	0.6	2.3
Current assets/liabilities	-1.9	-0.4
Tax loss carry forward	-4.0	1.1
Provisions	3.2	-1.0
Exchange rate differences loans	-4.1	-1.7
Financial instruments		-0.1
Other	-0.1	0.3
Total	**-6.6**	**1.9**

22. Non-current liabilities

			Effective interest %		Average term in years	
	As at 31-12-2015	As at 31-12-2014	As at 31-12-2015	As at 31-12-2014	As at 31-12-2015	As at 31-12-2014
Private placement	153.4	34.6	4.19	4.35	8.2	4.0
Financial lease commitments		0.1		4.12		3.0
Other debts	0.8	0.9	0.00	0.00	3.8	4.8
Total	**154.2**	**35.6**				
Weighted average			**4.18**	**4.21**	**8.2**	**4.0**

The weighted average term has been calculated on the basis of the remaining terms of the individual loans.
Repayments on the above amounts are due within five years (€ 39.4 million) and after five years (€ 114.8 million).

Fair value of the main long-term loans

	Balance sheet value as at 31-12-2015	Fair value as at 31-12-2015	Balance sheet value as at 31-12-2014	Fair value as at 31-12-2014
Private placement	153.4	156.6	34.6	36.2

Private placement
During 2015, the private placement loan was fully earmarked as a net investment hedge for all US dollar companies. Hence, exchange rate differences in respect of this liability are charged to the translation reserve in equity.

23. Interest-bearing current liabilities

			Effective interest %	
	As at 31-12-2015	As at 31-12-2014	As at 31-12-2015	As at 31-12-2014
Private placement		70.0		3.31
Total		**70.0**		
Weighted average				**3.31**

24. Financial risk management and financial instruments

Risk management framework

Corbion's activities are exposed to a variety of financial risks including currency, interest, commodity, liquidity, capital, and credit risk. The treasury department identifies and manages these risks. Treasury operates within a framework of policies and procedures which have been approved by the Board of Management. The treasury policy may change on an annual basis in light of market circumstances and market volatility. Corbion uses derivatives solely for the purpose of hedging exposures mainly related to commodity, currency and interest rate risk arising from the company's sources of finance and business. Corbion has a Treasury and a Commodity Risk Management Committee meeting periodically to review treasury and commodity activities and compliances with both policies.

Currency risk

Corbion is active on the international market, which means that it is exposed to risks arising from currency fluctuations, particularly in the US dollar, Brazilian real, Japanese yen, and Thai baht. Foreign currency exchange risk arises from future commercial transactions, recognized assets and liabilities, and net investments in foreign operations.

Translation risks

Corbion is subject to foreign exchange rate movements in connection with the translation of its foreign subsidiaries income, assets, and liabilities into euros in the consolidated financial statements. To protect the value of future foreign cash flows, Corbion partially mitigates the foreign exchange exposure by applying natural hedging, meaning capital employed in foreign operations is financed using the country's currency in order to avoid fluctuations due to translation effects.

US translation effects of the operating result are partially hedged by the interest paid on the US dollar loan. Currency fluctuations particularly in the US dollar can have a material effect on Corbion's income statement. Corbion's policy is to hedge material currency translation exposures above specific limits as defined for each currency.

Breakdown of the net amount of unhedged translation risk for each currency

Currency	As at 31-12-2015	As at 31-12-2014
- US dollar	137.2	110.5
- Brazilian real	14.7	19.1
- Thai baht	101.7	97.8

Transaction risks
The currency transaction risk arises in the course of ordinary business activities. Corbion's exposure to exchange rate movements in commercial operations is mainly related to EUR/USD, THB/YEN, and EUR/YEN. Corbion uses forward currency contracts and currency swaps in order to hedge risks arising from purchase and sales deals and/or commitments from current purchase and sales contracts. Transactions that are highly probable are hedged and included in cash flow hedge accounting. Other reasonably probable transactions are partially hedged. For practical reasons a specific limit is defined for each currency.

Hedge accounting is being applied to these contracts, so any unrealized fluctuations in the fair value are deferred in the hedge reserve of equity until the underlying hedged transaction is recognized in the result. All forward currency contracts expire within a year.

Sensitivity analysis to changes in exchange rates of financial instruments
A 10% weakening of the euro against the Japanese yen would have decreased the equity by € 1.0 million, with no significant impact on the net result.

Interest rate risk
Corbion's interest rate risk arises primarily from its debt. Corbion has an interest rate policy aimed at reducing volatility in its interest expense and maintaining a target percentage of its debt in fixed rate instruments. Currently Corbion's interest rate exposure has been fully fixed (4.18% on average) for all of Corbion's long-term debt (€ 154.2 million) for a period of on average 8.2 years.

Sensitivity analysis to changes in market interest rate
Assuming the same mix of variable and fixed interest rate instruments, an interest rate increase by 50 basis points compared to the rates on 31 December 2015 with all other variables held constant, would result in an increase of € 0 in the net result and € 0 in equity.

Commodity risk
Corbion uses commodity derivative contracts to reduce the risk of price fluctuations of the main commodities used, being oils, gas, corn, and sugar.

Corbion entered into commodity derivative contracts to hedge the variable price risk of the main commodities used. The fair value of these contracts was an asset of € 0.1 million as at 31 December 2015 (31 December 2014: liability of € 3.3 million). Hedge accounting is applied for the major part of these commodity derivative contracts.

All commodity derivative contracts expire within a year.

Sensitivity analysis
If the purchase price of the involved commodities would increase by 10%, net result and equity would be impacted by € 0.2 million.

Liquidity risk

Liquidity risk is the risk of Corbion not being able to obtain sufficient financial means to meet its obligations in time. Corbion actively manages liquidity risk by maintaining sufficient cash and cash equivalents and the availability of committed borrowing capacity. Corbion manages cash flow based on cash flow analysis for the next 12 months.

The committed credit facilities at Corbion's long-term disposal amounted to € 300 million as at 31 December 2015. As at that date nothing had been drawn. Corbion also has a private placement of $ 167 million with American institutional investors.

To provide insight into the liquidity risk the table below shows the contractual terms of the financial obligations (converted at balance sheet date), including interest paid.
The table below analyzes Corbion's financial obligations which will be settled on a net basis, according to relevant expiration dates, based on the remaining period from the balance sheet date to the contractual expiration date. The amounts shown are contractual non-discounted cash flows.

	Effective interest %	Less than 1 year	Between 1 and 5 years	More than 5 years	Total
As at 31 December 2015					
Private placement	4.19	6.4	61.3	138.8	206.5
Other debts		0.2	0.6		0.8
Trade payables		69.7			69.7
Other non-interest-bearing current liabilities		59.1			59.1
Total		**135.4**	**61.9**	**138.8**	**336.1**
As at 31 December 2014					
Private placement	4.35	73.8	26.3	12.9	113.0
Financial lease commitments	4.12	0.1			0.1
Other debts		0.2	0.7		0.9
Trade payables		70.6			70.6
Other non-interest-bearing current liabilities		56.6			56.6
Total		**201.3**	**27.0**	**12.9**	**241.2**

Credit risk management

Credit risk consists of the losses that would be recognized if a customer or a counterpart to a financial instrument fails to meets its contractual obligations. Corbion's credit risk mainly arises from loans granted, trade and other receivables, cash and cash equivalents, and derivative financial instruments. For first 3 items the maximum credit risk equals the book value (see Notes 13, 15, and 16), in respect of derivatives it equals the fair value. Corbion spreads its liquidity investments across a group of high rated financial institutions applying credit limits per institution. Outstanding receivables are monitored by the business. Appropriate allowances have been made for any credit risk that has been identified. It is therefore unlikely that significant losses will arise in relation to receivables that have not been provided for.

Capital risk management

Corbion manages its capital to ensure that entities in the Corbion group will be able to continue as going concerns while maximizing return to stakeholders through the optimization of the debt and equity balance.

The capital structure of Corbion consists of net debt (interest-bearing debts as detailed in Notes 22 and 23 offset by cash and cash equivalents as detailed in Note 16).

	2015	2014
Private placement	153.4	104.6
Financial lease commitments		0.1
Other debts	0.8	0.9
Cash and cash equivalents	-92.1	-111.4
Net debt	**62.1**	**-5.8**

The Corbion treasury committee reviews the capital structure of Corbion on a quarterly basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital.
The main covenants for the credit facility and the US private placement are:

- The ratio of net debt position divided by EBITDA (Earnings Before Interest, Taxes, Depreciation, Amortization and impairment of (in)tangible fixed assets, and excluding one-off items and cash dividend of joint ventures received) may not exceed the factor 3.5 (2014: 3.5).
- A minimum interest cover (EBITDA divided by net interest income and charges) of 3.5 (2014: 3.5).

These external conditions were met in 2015 as well as in 2014. Corbion target a net debt/EBITDA ratio of 1.5x over the investment cycle. A net debt/EBITDA ratio of 3.0x is set as a peak management threshold level.

Ratios at year-end

	2015	2014
Net debt position/EBITDA	0.4	-0.1
Interest cover	25.5	23.8

Financial instruments

Valuation of financial instruments

Corbion measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements based on inputs other than level 1 quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements based on valuation techniques that include inputs for the asset or liability that are based on observable market data (unobservable inputs).

Breakdown valuation of financial instruments

31 December 2015	Level 1	Level 2	Level 3	Total
Derivatives				
- Foreign exchange contracts		-0.3		-0.3
- Commodity swaps/collars		0.1		0.1
Total		**-0.2**		**-0.2**

Breakdown fair values financial instruments

31 December 2015	Balance sheet value	Fair value
Financial fixed assets		
- Loans, receivables, and other	1.5	1.5
Receivables		
- Trade receivables	96.9	96.9
- Other receivables	13.4	13.4
- Accruals and deferred income	2.2	2.2
Cash		
- Cash other	92.1	92.1
Interest-bearing liabilities		
- Private placement (net investment hedge)	-153.4	-156.6
- Other debts	-0.8	-0.8
Non-interest-bearing liabilities		
- Trade payables	-69.7	-69.7
- Other payables	-59.1	-59.1
Derivatives		
- Foreign exchange contracts	-0.3	-0.3
- Commodity swaps/collars	0.1	0.1
Total	**-77.1**	**-80.3**

Fair values are determined as follows

- The fair value of financial fixed assets does not significantly deviate from the book value.
- The fair value of receivables equals the book value because of their short-term character.
- Cash and cash equivalents are measured at nominal value which, given the short-term and risk-free character, corresponds to the fair value.
- Market quotations are used to determine the fair value of debt owed to private parties, credit institutions, and other debts. As there are no market quotations for most of the loans the fair value of short- and long-term loans is determined by discounting the future cash flows at the yield curve applicable as at 31 December.
- Given the short-term character, the fair value of non-interest-bearing liabilities equals the book value.
- Currency and interest derivatives are measured on the basis of the present value of future cash flows over the remaining term of the contracts, using the bank interest rate (such as Euribor) as at the reporting date for the remaining term of the contracts. The present value in

foreign currencies is converted using the exchange rate applicable as at the reporting date.
- Commodity derivatives are measured on the basis of the present value of future cash flows, using market quotations or own variable market price estimations of the involved commodity as at the reporting date.

Derivatives

Hedge transactions
The negative amount of € 2.6 million in hedge reserve (see Note 18) relates to the hedging of risks arising from future purchase and sales deals and/or commitments from current purchase and sales contracts amounting to € 42.7 million.
The amount of € 32.4 million in translation reserve (see Note 18) relates to currency fluctuations in respect of the net investments in foreign operations less the currency fluctuations of the corresponding net investment hedges. In case of divestment of a net investment in a foreign operation, the corresponding net impact of the currency fluctuations is moved from the translation reserve to the income statement.

In the past year no cash flow hedges were terminated due to changes to the expected future transaction. No ineffective parts were recorded in respect of the net investment hedge and cash flow hedge.

Fair values, maturity and the qualification of derivative financial instruments are presented in the table below

	Short < 1 year		Long > 1 year	
	As at 31-12-2015	As at 31-12-2014	As at 31-12-2015	As at 31-12-2014
Derivatives receivables used as hedge instrument in cash flow hedge relations				
Foreign exchange contracts		0.7		
Commodity swaps	0.1			
Derivatives liabilities used as hedge instrument in cash flow hedge relations				
Foreign exchange contracts	-0.3			
Commodity swaps		-0.1		
Derivatives liabilities used as hedge instrument in fair value hedge relations				
Commodity swaps		-3.9		
Total derivatives in hedge relations	**-0.2**	**-3.3**		
Derivatives receivables not used in a hedge relation with value change through income statement				
Commodity swaps		0.7		
Total derivatives through income statement		**0.7**		
Total derivatives	**-0.2**	**-2.6**		

25. Related party transactions

Remuneration policy Board of Management

For more information on the remuneration policy see the Report of the Supervisory Board. For more information on share-based payments see Note 26.

The number of conditionally granted shares per member of the (former) Board of Management is as follows

	Granted in	"At target"'number outstanding as at 31-12-2015	Maximum number outstanding as at 31-12-2015	Year of vesting
T. de Ruiter	2014	29,923	29,923	2016
	2014	29,923	29,923	2017
	2014	59,846	59,846	2018
	2014	19,103	33,430	2017
	2015	9,974	9,974	2016
	2015	9,974	9,974	2017
	2015	9,974	9,974	2018
	2015	32,051	48,077	2018
E.E. van Rhede van der Kloot	2014	9,855	17,246	2017
	2015	17,094	25,641	2018
G.J. Hoetmer	2013	21,502	37,629	2016
	2014	23,145	40,504	2017
N.J.M. Kramer	2013	13,530	23,678	2016
	2014	14,564	25,487	2017
Total as at 31 December 2015		**300,458**	**401,306**	

The movements in the number of shares conditionally granted to members of the (former) Board of Management are as follows

	Maximum number outstanding as at 31-12-2014	Maximum number granted in 2015	Vested 2015	Expired 2015	Maximum number outstanding as at 31-12-2015
T. de Ruiter	183,044	77,999		29,922	231,121
E.E. van Rhede van der Kloot	17,246	25,641			42,887
S.F. Thormählen	18,573	25,641		44,214	
G.J. Hoetmer	124,730			46,597	78,133
N.J.M. Kramer	78,486			29,321	49,165
Total	**422,079**	**129,281**		**150,054**	**401,306**

Breakdown remuneration (former) Board of Management

Thousands of euros IAS 24.17 category	Short-term employee benefits			Share-based payments	Post-employment benefits	Other long-term benefits	Termination benefits	Total
2015	Base salary 1)	STIP	Excessive levy 2)	LTIP	Pension benefits	Other benefits	Termination benefits 3)	
T. de Ruiter	734	394		1,157				**2,285**
E.E. van Rhede van der Kloot	453	210		124				**787**
Total Board of Management	**1,187**	**604**		**1,281**				**3,072**
S.F. Thormählen	344			(43)			719	**1,020**
G.J. Hoetmer		(223)						**(223)**
N.J.M. Kramer		(127)					194	**67**
Total former Board of Management	**344**	**(350)**		**(43)**			**913**	**864**
Total remuneration (former) Board of Mangement	**1,531**	**254**		**1,238**			**913**	**3,936**

Thousands of euros IAS 24.17 category	Short-term employee benefits			Share-based payments	Post-employment benefits	Other long-term benefits	Termination benefits	Total
2014	Base salary 1)	STIP	Excessive levy 2)	LTIP	Pension benefits	Other benefits	Termination benefits 3)	
T. de Ruiter (as from April 2014)	639	250		439				**1,328**
E.E. van Rhede van der Kloot (in his position as CFO as from May 2014)	278	172		140				**590**
Total Board of Management	**917**	**422**		**579**				**1,918**
S.F. Thormählen (as from April 2014)	391	139		43				**573**
G.J. Hoetmer	285	312	525	534	84		156	**1,896**
N.J.M. Kramer	216	195		733	63		749	**1,956**
Total former Board of Management	**892**	**646**	**525**	**1,310**	**147**		**905**	**4,425**
Total remuneration (former) Board of Mangement	**1,809**	**1,068**	**525**	**1,889**	**147**		**905**	**6,343**

The tables above show the costs based on the applicable IFRS standard and do not necessarily reflect the actual amounts paid.

1) *Base salary also includes social security contributions and compensation, mainly allowances for expenses (and housing for Mr. De Ruiter and Mr. Thormählen).*
2) *The excessive levy is payable by the employer for termination benefits above certain thresholds. The crisis tax of 16% as imposed by the Dutch government is payable by the employer on the part of the salaries exceeding € 150,000.*
3) *In 2014, for the months June and July the salaries of Mr. Hoetmer and Mr. Kramer have been recognized as severance payments instead of base salary, as very limited use has been made of the service availability of the former Board of Management over these two months. The contractual notice period started 1 August 2014. Further, this amount includes contractual pension costs for Mr. Kramer.*
For Mr. Thormählen, the termination benefits include base salary and benefit allowance from 1 October 2015 until 1 April 2016 and his contractually agreed severance payment, which payment will be made in April 2016.

Compensation of key management personnel

As from 1 January 2015, the Excecutive Committee (ExCo), consisting of the Board of Management and three business leaders became operational. The table below specifies the remuneration of the ExCo in 2015.

Thousands of euros	2015
Short-term employee benefits	3,694
Share-based payments	1,422
Post-employment benefits	23
Other long-term benefits	
Termination benefits	719

Breakdown remuneration Supervisory Board

Thousands of euros	IAS 24.7 category	Short-term employee benefits [1]		Share-based payments	Post-employment benefits	Other long-term benefits	Termination benefits	Total
	Year	Base fee	Committee fee	LTIP	Pension benefits	Other benefits	Severance payments	
M.F.J.P. Vrijsen, Chairman, Vice-Chairman until May 2015 (Chairman Nomination Committee, member until May 2015/ member Remuneration Committee, Chairman until May 2015/member Science & Technology Committee)	2015	56	17					**73**
	2014	49	17					**66**
R.H.P. Markham, Vice-Chairman, Chairman until May 2015, (Chairman Remuneration Committee, member until May 2015/ member Nomination Committee, Chairman until May 2015)	2015	54	13					**67**
	2014	60	13					**73**
M.E. Doherty (member Audit Committee), appointed per May 2015	2015	27	6					33
	2014							
J.P. de Kreij (member Audit Committee)	2015	45	10					55
	2014	45	10					**55**
R. Pieterse (Chairman Audit Committee)	2015	45	15					**60**
	2014	45	15					**60**
S. Riisgaard (Chairman Science and Technology Committee, member Remuneration Committee/Nomination Committee	2015	45	17					**62**
	2014	29	14					**43**
W. Spinner (member Audit Committee), resigned per May 2015	2015	18	4					**22**
	2014	45	10					**55**
M.P.M. de Raad, Vice-Chairman (Chairman Remuneration Committee/ member Nomination Committee)	2015							
	2014	19	3					**22**
	Total 2015	**290**	**82**					**372**
	Total 2014	**292**	**82**					**374**

1) *Excluding expenses*

No loans or advance payments or any guarantees to that effect have been made or issued to the members of the Supervisory Board. None of the members of the Supervisory Board has shares in the company or any option rights relating thereto.

26. Share-based compensation

Share-based remuneration arrangements: Board of Management

A share plan is in place for the Board of Management. Two current and two former members of the Board of Management have a total of 401,306 unvested share rights in the company as at 31 December 2015 (2014: 422,079). The nominal amount of the shares which are claimable under unvested share rights equals € 100,327 per that date.

2012-2014 program

Each year members of the Board of Management are entitled to a conditional grant of Corbion shares. There are two target levels for this incentive. One applies to the CEO and one to CFO. The CEO is entitled to a conditional share grant value of 60% of his base salary. The CFO is entitled to a conditional share grant value of 50% of his base salary. The total number of conditionally granted shares is determined by dividing the "at target" amount applicable for the respective Board member (as a percentage of base salary) by the (undiscounted) fair value average stock price over the month prior to the date of grant (April of any year). The performance criterion for the Long-Term Incentive Plan (LTIP) is Total Shareholder Return (TSR) over a three-year performance period. After vesting and share delivery, the Board members according to the plan rules, are required to keep the shares in a blocked account for another two years. The total lock-up period therefore is five years. For further details refer to the Remuneration policy and report in the Report of the Supervisory Board.

2015 program

A revised program was introduced in 2015, as part of the new remuneration policy agreed by the AGM on 22 May 2015, aimed at longer-term value creation in line with shareholders' interests, measured over a performance period of three calendar years. To ensure that short-term performance also leads to sustainable long-term value creation, the LTIP measurement is fully aligned with the STIP: 60% of the LTIP is dependent on EBITDA and 20% of the LTIP depends on the Earning Per Share (EPS). In addition, 20% of the LTIP depends on relative TSR as compared to a specific TSR peer group. Each year members of the Board of Management are entitled to a conditional grant of Corbion shares. There are two target levels for this incentive: one applies to the CEO and one to the CFO. The CEO is entitled to a conditional share grant value of 100% of his base salary. The CFO is entitled to a conditional share grant value of 80% of the base salary. The total number of conditionally granted shares is determined by dividing the "at target" amount applicable for the respective Board member (as a percentage of base salary) by the share price. The share price is defined as the average closing price of the Corbion share during the last full calendar quarter preceding the conditional grant of shares.
At the beginning of the performance period, targets for the LTIP are set by the Supervisory Board for the three-year performance period as follows:

1. A target based on EBITDA, a threshold (minimum) and a range around the performance target to determine the actual payout for 60% of the LTIP.
2. A target based on EPS, a threshold (minimum) and a range around the performance target to determine the actual payout for 20% of the LTIP.
3. The TSR performance is benchmarked against the TSR performance of Corbion's TSR peer group and the relative ranking determines the actual pay-out for 20% of the LTIP.

Meeting the performance target(s) results in an LTIP payout at target level. A range of 50% around the performance target(s) (or such lower percentage as determined by the Supervisory Board) is set for the EBITDA and EPS performance to determine the actual payout. There is no pay out below the low end of the range and no additional upside above the top end of the range. For the TSR performance, threshold pay out is set at meeting the eighth position in the peer group (consisting of sixteen companies). Target payout is achieved at the fourth and fifth position in the peer group and maximum payout is achieved at reaching the first and second position in the peer group.

One-off time-restricted performance share award CEO
At the time of his appointment in 2014, Mr. De Ruiter was granted a one-off time-restricted performance share award equivalent to a target value of € 2 million in Corbion shares to vest over four years. This award bridges part of the compensation gap between the United States and the Netherlands. The award encourages delivering a growing, increasingly profitable, and sustainable business portfolio. The value of one conditional share will be equal to the average share price of five days preceding the Annual General Shareholders' Meeting (AGM), no discounts are applied. The award vests in four equal parts per year, only if a minimum Corbion growth rate is achieved each year. Delivering predetermined long-term (4-year) innovation milestones allows for an additional vesting of up to 25% of the total number of shares in year 4. This means that the actual number of shares that vest, will range between 0% and 125% of the grant value. The value of the vested shares depends on the performance delivered and the share price development.
In 2015, the plan was partially adjusted to be fully aligned with the updated strategy and consequently with the new remuneration policy. The performance period has been aligned with the regular long-term incentive plan, starting on 1 January 2015 and ending on 31 December 2017. Further, EBITDA growth has been introduced as annual performance metric (instead of sales growth) to be set at the beginning of each year by the Supervisory Board. Finally, the award is now subject to the general share ownership requirement of two times the annual base salary as defined in the new remuneration policy: as long as the CEO does not comply with these share ownership requirements, vested shares under this share award will be kept in a restricted account and cannot be traded (instead of a holding restriction for vested shares of one year after end of term of appointment).

Movements in number of unvested shares of the (former) Board of Management (at maximum)

Year of allocation	Total as at 31-12-2014	Allocated in 2015	Vested and expired in 2015	Total as at 31-12-2015
2012	75,918		75,918	
2013	61,307			61,307
2014	284,854		48,495	236,359
2015		129,281	25,641	103,640
Total	**422,079**	**129,281**	**150,054**	**401,306**

Valuation model and input variables
The fair value of the non-market based components of the above-mentioned performance-related shares allocated in 2015 was € 18.22 per share (2014: € 16.71). The fair value of the market based components of the above-mentioned performance-related shares allocated in 2015 was € 21.37 per share (2014: € 20.28). The fair value of the market based components is estimated by using the Black & Scholes model and the assumptions set forth below.

	2015	2014
Risk-free interest rate	0.00%	0.45%
Expected dividend gains		
Expected volatility in share price	25%	31%
Term	3 years	3 years

Share-based remuneration arrangements senior management
Until 2015, reward plans ("Phantom plan") were in place for certain members of management. Participants in these plans are awarded a provisional cash payment. Depending on the Total Shareholder Return (TSR) of Corbion compared with the peer group and continued employment after a period of three years, the actual gross amount if any is determined and paid.

In 2015, an equity-settled plan similar to the 2015 program for the Board of Management was introduced for senior management.

Movements in number of unvested shares of senior management

Year of allocation	Total as at 31-12-2014	Allocated in 2015	Vested and expired in 2015	Total as at 31-12-2015
2015		133,698		133,698
Total		**133,698**		**133,698**

Certain members of management receive a package of Corbion shares worth 9.5% of their fixed salary (commitment award). The acquired shares shall be held in a separate blocked account until the end of their employment at Corbion.

Movements in number of blocked commitment award shares

	Total as at 31-12-2014	Allocated in 2015	Vested and expired in 2015	Total as at 31-12-2015
Total	**53,458**	**1,209**	**39,559**	**15,108**

27. Off-balance sheet financial rights and commitments

Financial commitments
As at 31 December 2015 the nominal value of future commitments from operational lease contracts for property, plant, and equipment was € 12.9 million (2014: € 13.2 million), € 4.4 million of which expires within one year, € 8.1 million between 1 and 5 years, and € 0.4 million after 5 years.

Capital commitments
The capital expenditure commitments not yet incurred amounted to € 2.9 million for (in)tangible assets as at 31 December 2015 (2014: € 2.2 million).

Contingent commitments
Guarantees
Third-party guarantees amounted to € 3.4 million as at 31 December 2015 (2014: € 10.8 million). No significant future losses are expected from these guarantees.

Other
As the existing structure did not reflect the actual structural, management, and product-line organization of our business, the legal structure of our company was reorganized in 2012. The reorganization was complex involving several entities in various jurisdictions, and therefore could have tax consequences. Prior to carrying out the reorganization, we obtained appropriate outside professional advice confirming a limited tax risk associated with the reorganization. However, if tax authorities in the relevant jurisdictions would challenge the tax treatment of the reorganization and if they are successful in doing so, the tax consequences could be significant.

28. Events after balance sheet date

Corbion confirms its intention to construct a 75kTpa PLA plant. Additionally, Corbion will expand its existing lactide plant in Thailand by 25 kTpa. This is expected to require capital expenditures of approximately € 65 million for the PLA plant and € 20 million for the lactide plant.

Company financial statements

Company statement of financial position

Before profit appropriation, millions of euros	*Note*	As at 31-12-2015	As at 31-12-2014
Assets			
Financial fixed assets	*29*	577.5	520.2
Deferred tax assets		16.2	17.2
Total non-current assets		**593.7**	**537.4**
Receivables	*30*	0.4	4.0
Cash and cash equivalents	*31*	53.8	86.9
Total current assets		**54.2**	**90.9**
Total assets		**647.9**	**628.3**
Equity and liabilities			
Common share capital		15.6	16.1
Share premium reserve		58.7	62.9
Other reserves		68.0	58.9
Retained earnings		345.5	370.8
Equity	*32*	**487.8**	**508.7**
Non-current liabilities	*33*	153.4	34.6
Total non-current liabilities		**153.4**	**34.6**
Interest-bearing current liabilities	*34*		70.0
Non-interest-bearing current liabilities	*35*	5.5	11.7
Provisions	*36*	1.2	3.3
Total current liabilities		**6.7**	**85.0**
Total equity and liabilities		**647.9**	**628.3**

Company income statement

Millions of euros	2015	2014
Result from group companies after taxes	52.6	-40.0
Other income and charges after taxes*	27.6	21.7
Result after taxes	**80.2**	**-18.3**

** Social security included in the income statement is rounded zero for 2015 as well as for 2014.*

Notes to the company financial statements

General

The separate financial statements of Corbion nv are drawn up in accordance with the principles referred to in Part 9, Book 2 of the Dutch Civil Code. By using the option in Section 2:362 (8) of the Dutch Civil Code the same accounting principles (including the principles for recognizing financial instruments as equity or debt) may be applied in the separate financial statements and the consolidated financial statements. Participations in group companies are valued on the basis of net asset value. Net asset value is determined by valuing assets, provisions, and liabilities, and calculating the result using the accounting principles applied in the consolidated financial statements (see Note 2).

A list has been filed at the Amsterdam Trade Register setting out the data on the group companies as required under Sections 2:379 and 2:414 of the Dutch Civil Code.

29. Financial fixed assets

	As at 31-12-2015	As at 31-12-2014
Participations in group companies	198.3	-108.3
Loans to group companies	270.6	680.6
Joint ventures and associates	1.6	1.4
Owed to/by group companies	105.5	-54.9
Other	1.5	1.4
Total	**577.5**	**520.2**

The balance of participations in group companies and loans to group companies is positive in all participations of Corbion nv. Amounts owed to or by group companies are long-term.

	2015	2014
Movements in participations in group companies		
As at 1 January	-108.3	-205.3
Paid-in capital	431.9	68.2
Acquisition group company	26.2	113.9
Result group companies	52.6	-39.1
Dividend group companies	-162.4	-1.2
Exchange rate differences	-41.7	-44.8
As at 31 December	**198.3**	**-108.3**
Movements in loans to group companies		
As at 1 January	680.6	666.9
Exchange rate differences	67.8	78.1
Disbursements	242.4	42.1
Repayments	-720.2	-106.5
As at 31 December	**270.6**	**680.6**

30. Receivables

The receivables relate to commodity and foreign exchange derivatives and prepaid costs.

31. Cash and cash equivalents

The cash and cash equivalents were available and payable without notice in 2015.

32. Equity

See Consolidated statement of changes in equity and Note 18 to the consolidated financial statements. For an overview of the legal reserves see Note 18.

33. Non-current liabilities

	As at 31-12-2015	As at 31-12-2014
Owed to credit institutions	153.4	34.6
Total	**153.4**	**34.6**

See Note 22 to the consolidated financial statements.

34. Interest-bearing current liabilities

	As at 31-12-2015	As at 31-12-2014
Owed to credit institutions		70.0
Total		**70.0**

35. Non-interest-bearing current liabilities

	As at 31-12-2015	As at 31-12-2014
Taxes and social insurance premiums	3.5	6.5
Other debts and accruals and deferred income	2.0	5.2
Total	**5.5**	**11.7**

36. Provisions

The amount relates to a restructuring provision. The full amount has been charged to the result (see Note 19).

37. Off-balance sheet commitments

Contingent liabilities

Under Section 2:403 of the Dutch Civil Code the company accepts liability for the debts incurred by Dutch group companies. The relevant declarations have been filed for perusal at the office of the relevant trade register.

Fiscal unity

Corbion nv and a number of subsidiaries in the Netherlands are part of fiscal unities for purposes of corporate income tax and value added tax. The companies which are part of a fiscal unity are jointly and severally liable for their liabilities.

38. Personnel

On average, three personnel were employed by Corbion nv and were working in the Netherlands during 2015 (2014: five personnel). For more information on remuneration see Note 25.

39. Audit fees

Total fees charged by the auditor can be specified as follows

Thousands of euros	Deloitte Accountants bv 2015	Deloitte Other 2015	Total 2015	Total 2014
Audit services	556	132	688	681
Audit-related services				
Non-audit services				
Total	**556**	**132**	**688**	**681**

Amsterdam, the Netherlands, 1 March 2016

Supervisory Board
M.F.J.P. Vrijsen, Chairman, R.H.P. Markham, Vice-Chairman,
M.E. Doherty, J.P. de Kreij, R. Pieterse, S. Riisgaard

Board of Management
T. de Ruiter, CEO, E.E. van Rhede van der Kloot, CFO

Other information

Statutory arrangement for appropriation of profit

The corporate articles of association lay down the following conditions regarding the appropriation of profit (summary).

Article 25.3

If possible, a dividend shall first be paid from the profit recorded in the adopted financial statements on each financing preference share in a specific series. This dividend shall be equal to a percentage calculated on the basis of the amount paid on the financing preference shares.

Article 25.4

If the profit is insufficient the dividend on the financing preference shares shall be paid from the company reserves, with the exception of the reserves which were formed as share premium reserve upon the issue of the financing preference shares. If the dividend cannot be paid from the company reserves, it shall be paid in arrear in the subsequent financial years.

Article 25.14

The Board of Management shall decide subject to the approval of the Supervisory Board which part of the profit is to be reserved after the above provisions have been applied. The remaining profit shall be at the disposal of the General Shareholders' Meeting.

The General Shareholders' Meeting may decide upon a proposal by the Board of Management with the approval of the Supervisory Board to pay dividends to shareholders from the distributable equity.

Proposed appropriation of profit

Millions of euros	2015	2014
Result after taxes	**80.2**	**-18.3**
Available for dividend payment to holders of financing preference shares	2.2	2.4
Proposed addition to the reserves	3.1	-27.4
Available for cash dividend to holders of common shares	25.6	6.7
Paid interim cash dividend	49.3	
Dividend* of € 0.43 (2014: € 0.21) per common share with a nominal value of € 0.25	25.6	6.7

** 2015: cash dividend only.*
2014: at the choice of the shareholders in cash or in stock.

The dividend proposal is stated in the Report of the Board of Management.

Deloitte.

Independent auditor's report
To the Shareholders and the Supervisory Board of Corbion N.V.

Report on the audit of the financial statements 2015

Our opinion
We have audited the financial statements 2015 of Corbion N.V. ('the company'), based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements as set out on pages 61-114 of this annual report.

In our opinion:

- The consolidated financial statements give a true and fair view of the financial position of Corbion N.V. as at 31 December 2015, and of its result and cash flows for 2015 in accordance with International Financial Reporting Standards as adopted by the European Union ('EU-IFRS') and with Part 9 of Book 2 of the Dutch Civil Code.
- The company financial statements give a true and fair view of the financial position of Corbion N.V. as at 31 December 2015, and of its result for 2015 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What have we audited
The consolidated financial statements comprise:

1. The consolidated statement of the financial position as at 31 December 2015;
2. The following statements for 2015: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows; and
3. The notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

1. The company balance sheet as at 31 December 2015;
2. The company income statement for 2015; and
3. The notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of Corbion N.V. in accordance with the Regulation on Auditor Independence in Assurance Engagements [*'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten'* ('ViO')] and other relevant independence regulations in The Netherlands.

Furthermore we have complied with the Regulation on Rules of Professional Conduct and Practice of Accountants ['Verordening gedrags- en beroepsregels accountants' ('VGBA')].

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

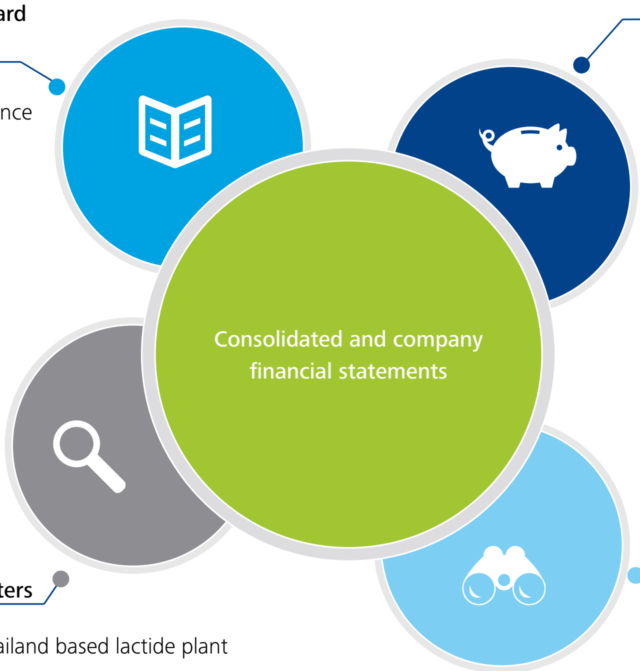
Our audit approach

Management Board Report

- Prepared in accordance with Part 9 Book 2 Dutch Civil Code
- Consistent with financial statements

Materiality

Materiality for the financial statements as a whole € 7.5 million (2014 - € 5.5 million)



Key Audit Matters

- Valuation of the Thailand based lactide plant
- Valuation and impairment testing of (in) tangible fixed assets
- Income taxes

Scope

Deloitte audited the consolidated and company financial statements

As part of our audit we have determined materiality and used it to assess the risks of material misstatement. We have specifically assessed accounts where subjectivity is high because of estimates regarding uncertain future developments. We have likewise specifically focused on the risk related to management override of controls and the risk of material misstatement due to fraud. In addition, our audit expressly included the continuity and reliability of the automated information systems.

Materiality

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

Based on our professional judgement we determined the materiality for the financial statements as a whole at € 7.5 million. The materiality is determined by applying a factor of 7.5% of normalized result before tax. We have also taken into account misstatements and / or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

Materiality overview	
Materiality for the financial statements as a whole	€ 7.5 million
Basis for materiality	7.5% of normalized result before tax
Treshold for reporting misstatements	€ 375.000

We agreed with the Audit Committee that misstatements in excess of € 375.000 which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Corbion N.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements of Corbion N.V.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and / or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Our group audit mainly focused on significant group entities. Our assessment of entities that are significant to the group was done as part of our audit planning and was aimed to obtain sufficient coverage of the risks of a material misstatement for significant account balances and disclosures that we have identified. In addition we considered qualitative factors as part of our assessment which entities are significant to the group, such as:

- The complexity and nature of operations, internal controls and accounting;
- The degree of centralization of processes and controls and entity-level controls;
- The extent and nature of internal control deficiencies and financial statement misstatements identified in prior year;
- Turnover in key leadership and management positions;
- The complexity of the underlying IT infrastructure.

As part of our year-end audit procedures we have reconsidered our assessment of significant group entities in order to ensure we have obtained appropriate coverage of the risks of a material misstatement for significant account balances and disclosures that we have identified.

The group engagement team has:

- Performed audit procedures at group entities Corbion N.V., Caravan Ingredients Inc, Purac America Inc and Purac Biochem B.V.;
- Used the work of local Deloitte auditors when auditing entity Purac Bioquimica S.A. and Purac Thailand Ltd;
- Performed review procedures or specific audit procedures at the other group entities.

The group entities subject to full scope audits comprise 81% of consolidated net sales and 90% of consolidated total assets. None of the remaining group entities individually represented more than 8% of consolidated net sales or 5% of consolidated total assets. For these remaining entities we performed a combination of specific audit procedures and analytical procedures at group level relating to the risks of material misstatement for significant account balances and disclosures that we have identified.

Audit coverage	
Audit coverage of consolidated net sales	81%
Audit coverage of result before tax	96%
Audit coverage of consolidated total assets	89%

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to Audit Committee. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the key audit matter was addressed in our audit
Valuation of the Thailand based lactide plant As of 31 December 2015 the existing lactide plant in Thailand remained underutilized and therefore management determined the recoverable amount for these assets based on amongst others a reassessment of volume development and timing. Management determined that the recoverable amount was above the carrying value of these assets, therefore the company recognized no impairment in connection with the lactide plant in Thailand in 2015. The capitalized expenditure for the company's lactide plant in Thailand is significant to our audit due to its size and judgement involved in the recoverability of this asset. We refer to note 10 Property, plant and equipment and note 11 Intangible fixed assets in the consolidated financial statements.	We have reviewed management's assessment of the recoverable amount for this group of assets. Our procedures included validating and recalculating management's future cash flow projections and key assumptions, sensitivity analyses on the robustness of the forecasts and assessing the status of significant commercial contracts under negotiation for the lactide plant in Thailand, including the impact of the forward integration into PLA and the letters of intent signed and under negotiation for the new PLA plant. Further, as part of our audit procedures, we instructed valuation experts to review the discount rate used by the company to determine recoverable value and have assessed the results of their work as part of our audit.
Valuation and impairment testing of (in)tangible fixed assets In addition to the Thailand based lactide plant, other (in)tangible fixed assets, including capitalized R&D expenses, are tested for impairment if there is an indication of possible impairment. Goodwill is tested for impairment every year. The Biobased Innovations segment of Corbion is subject to megatrends and new business which take time to mature, such as for example the succinic-acid joint venture. The capitalized (in)tangible fixed assets, especially in this segment, are significant to our audit due to their size and judgement involved in the recoverability of those items. We refer to note 10 Property, plant and equipment and note 11 Intangible fixed assets in the consolidated financial statements.	Our audit procedures included amongst others a review of the company's policies and procedures for evaluating the presence of impairment, challenging main cash flow assumptions and robustness of forecasts. We evaluated key assumptions based on external data and historical trend analyses. Further, as part of our audit procedures, we instructed valuation experts to review the discount rates used by the company to determine recoverable value and have assessed the results of their work as part our audit. We have evaluated whether appropriate disclosure of impairments were made in accordance with IAS 36 Impairment of Assets.

Key audit matter	How the key audit matter was addressed in our audit
Income taxes Corbion operates in various tax jurisdictions. Both the evaluation of areas of tax risk, and the valuation of deferred tax assets in respect of taxable losses, were significant to our audit because the assessment requires significant judgment and is based on assumptions that are affected by uncertain future events such as profitability of operations and availability of tax planning. During 2015 Corbion determined that € 30 million (2014: € 13.7 million) of gross tax loss carry forward qualified as deferred tax asset of € 7.5 million (2014: € 3.4 million). We refer to note 8 Taxes, note 21 Deferred tax in the consolidated financial statements and note 27 Off-balance sheet financial rights and commitments.	Our audit procedures included, among others, evaluating management's assessment of risk areas, reviewing supporting documentation where appropriate, assessing available options for risk mitigation and evaluating the availability of tax planning. Further, as part of our audit procedures, we instructed tax experts to review tax positions and tax risks and have assessed the results of their work as part of our audit. We have evaluated whether appropriate disclosure of the tax position, tax loss carry forwards and tax risks were made in accordance with IAS 12 Income Taxes.

Responsibilities of the Board of Management and the Supervisory Board for the financial statements

The Board of Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the Report of the Board of Management in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Management is responsible for such internal control as the Board of Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Management is responsible for assessing the company's ability to continue as a going concern. Based on EU-IFRS, the Board of Management should prepare the financial statements using the going concern basis of accounting unless the Board of Management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The Board of Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Report on other legal and regulatory requirements

Report on the Report of the Board of Management and Other information

Pursuant to legal requirements of Part 9 of Book 2 of the Dutch Civil Code (concerning our obligation to report about the Report of the Board of Management and Other information):

- We have no deficiencies to report as a result of our examination whether the Report of the Board of Management, as set out on pages 6 - 23 and 29 - 39 of this annual report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code, and whether the information as required by Part 9 of Book 2 of the Dutch Civil Code has been annexed.
- We report that the Report of the Board of Management, to the extent we can assess, is consistent with the financial statements.

Engagement

We were appointed by the Shareholders as auditor of Corbion N.V. (CSM N.V. at that moment) on 26 April 2006, as of the audit for the year 2006 and have operated as statutory auditor ever since that date.

Amsterdam, 1 March 2016
Deloitte Accountants B.V.

Signed on the original

L. Albers

Brief resumés of the members of the Supervisory Board

As at 31-12-2015

M. F.J.P. Vrijsen (1947, m), Chairman

Nationality	Dutch
Previous position(s)	Senior Vice President Global Operations and Engineering of E.I. du Pont de Nemours & Company (Du Pont) Various positions at Du Pont
Supervisory directorships	Chairman Broadview Holding Chairman Fiets!, Belgium Chairman Casco Phil, Belgium The Chemours Company
First appointed in	2013
Current term of office	2013 - 2017

R.H.P. Markham (1946, m), Vice-Chairman

Nationality	British
Previous position(s)	Executive Director and Chief Finance Officer Unilever nv
Supervisory Directorships	Non-Executive Director of Legal and General Plc, UK Non-Executive Director of United Parcel Services Inc., US Non-Executive Director of Astra Zeneca Plc, UK
First appointed in	2010
Current term of office	2014 - 2018

M.E. Doherty (1957, f)

Nationality	British
Previous position(s)	CFO and Executive Director Reckit Benckiser plc CFO and Executive Director Brambles Ltd Group International Finance Director and International Finance Director Tesco plc SVP Finance, Central and Eastern Europe, and various other positions at Unilever plc
Supervisory Directorships	Nokia Oy, Finland Delhaize Group, Belgium Dunelm plc, UK Novartis AG, Switzerland (as of 23 February 2016) Non-Executive Director and Audit Chair for the UK Ministry of Justice
First appointed in	2015
Current term of office	2015-2019

J.P. de Kreij (1959, m)

Nationality	Dutch
Position	Vice-Chairman Executive Board and Chief Financial Officer of Royal Vopak nv
Additional position	Member Advisory Council of the Listed Companies of Euronext
First appointed in	2011
Current term of office	2015 - 2019

R. Pieterse (1942, m)

Nationality	Dutch
Previous position	Chairman Board of Management Wolters Kluwer nv
Supervisory directorships	Member eVision bv
Additional positions	Chairman of various Foundations
First appointed in	2004
Current term of office	2012 - 2016

S. Riisgaard (1951, m)

Nationality	Danish
Previous position(s)	President & CEO of Novozymes A/S
Supervisory Directorships	Chairman of Alk-Abello, Denmark
	Member of Århus University, Denmark
	Chairman of Cowi Holding A/S, Denmark
	Chairman of Egmont Holding and Foundation, Denmark
	Vice-Chairman of Novo Nordisk Foundation, Denmark
	Member of Novo A/S, Denmark
	Vice-Chairman of Villum Foundation, Denmark
	Chairman of WWF, Denmark
	Chairman of Xellia A/S, Denmark
	Member of the Board of VKR Holding A/S, Denmark
First appointed in	2014
Current term of office	2014 - 2018

Brief resumés of the members of the Board of Management

As at 31-12-2015

T. de Ruiter (1959), Chief Executive Officer

Nationality	Dutch
Previous positions	CEO and President of LS9, Inc. CEO of the Genencor division of Danisco and a member of the Danisco Executive Committee COO Cultures, Specialities and Flavours at Danisco Several management positions at Quest International
Supervisory Directorships	Nu-Tek Food Science LLC, US
First appointed in	May 2014
Current term of office	2014 - 2018

E.E. van Rhede van der Kloot (1963), Chief Financial Officer

Nationality	Dutch
Previous positions	SVP Finance at Corbion CFO of Purac, a division of CSM Divisional finance director for chemicals in European region at Vopak Several technical and finance positions at Unilever
First appointed in	May 2014
Current term of office	2014 - 2018

Company secretary

H.G. Noppers (1975)

Nationality	Dutch
Employed since	January 2009

Group structure

As at 31-12-2015

Name	Nature of business	Proportion of ordinary shares held by the group (%)
PRINCIPAL SUBSIDIARIES		
Argentina		
Purac Argentina S.A.	Operating company	100
Brazil		
Purac Sínteses Indústria e Comércio Ltda.	Operating company	100
China		
Corbion Trading (Shanghai) Co., Ltd.	Operating company	100

Name	Nature of business	Proportion of ordinary shares held by the group (%)
India		
Corbion India PL	Operating company	100
Japan		
Corbion Japan K.K.	Operating company	100
Mexico		
Purac Mexico S. de R.L. de C.V.	Operating company	100
The Netherlands		
Corbion Group Holdings bv	Holding company	100
Corbion Group Netherlands bv	Holding company	100
Expalkan V bv	Holding company	100
Purac Biochem bv	Operating company	100
Bird Engineering bv	Operating company	100
Poland		
Purac Polska Sp. z o.o.	Operating company	100
Singapore		
Purac Asia Pacific PTE Ltd.	Operating company	100
Spain		
Purac Bioquímica S.A.	Operating company	100
Switzerland		
Corbion Group Holdings GmbH	Holding company	100
Corbion Group Subholdings AG	Holding company	100
Thailand		
Purac (Thailand) Limited	Operating company	100
United Kingdom		
Expalkan II Closed Scheme Ltd. *	Pension funding company	100
US		
Corbion America Holdings Inc.	Holding company	100
Corbion America Subholdings Inc.	Holding company	100
Caravan Ingredients Inc.	Operating company	100
Purac America Inc.	Operating company	100
JOINT VENTURES		
Germany		
Succinity GmbH, Düsseldorf	Operating company	50
The Netherlands		
CM Biomaterials bv, Gorinchem	Operating company	50
Bioprocess Pilot Facility bv, Delft	Operating company	31.1
Icos Cleantech Early Stage Fund II bv, Badhoevedorp	Operating company	23.3
Dutch Technology Fund I bv, Badhoevedorp	Operating company	11.1

* *Expalkan II Closed Scheme Ltd. (registration number 08559472) is exempt from the requirements of the Companies Act 2006 by virtue of section 479A.*

Five years in figures

Millions of euros	2015	2014	2013	2012	2011
Continuing operations*					
Net sales	918	770	744	754	3,113
Operating result	109	13	38	38	-150
EBITDA excluding one-off items	150	110	100	99	223
Result after taxes	80	-18	5	26	-174
Earnings per common share in euros 1)	1.29	-0.34	0.03	0.30	-2.56
Diluted earnings per common share in euros 1)	1.28	-0.33	0.03	0.30	-2.55
Cash flow from operating activities	110	67	34	73	148
Cash flow from operating activities per common share, in euros 1) **	1.79	1.04	0.44	0.96	2.06
Depreciation/amortization fixed assets	46	44	41	43	103
Capital expenditure on fixed assets	68	63	76	56	92
EBITDA margin % 2)	16.4	14.2	13.4	13.1	7.2
Result after taxes/net sales %	8.7	-2.4	0.7	3.4	-5.6
Number of employees at closing date	1,673	1,860	1,885	1,834	9,843
Total operations					
Statement of financial position					
Non-current assets	470	433	436	1,374	1,559
Current assets	246	239	206	704	740
Non-interest-bearing current liabilities	135	130	134	490	479
Net debt position 3)	62	-6	-29	511	616
Provisions	31	40	32	220	257
Equity	488	509	505	859	948
Key data per common share					
Number of issued common shares	59,904,209	62,041,761	71,939,942	69,914,711	67,658,699
Number of common shares with dividend rights	59,420,763	61,557,106	61,176,915	69,909,876	67,580,372
Weighted average number of outstanding common shares **	60,380,489	61,759,190	70,479,684	71,902,593	69,813,766
Price as at 31 December	22.32	13.82	15.40	16.25	12.08
Highest price in calendar year	22.91	17.27	18.60	16.48	26.88
Lowest price in calendar year	12.70	10.56	14.41	10.49	9.25
Market capitalization as at 31 December	1,326	851	942	1,136	816
Earnings in euros **	1.29	-0.34	-0.01	-0.96	-2.56
Diluted earnings in euros **	1.28	-0.33	-0.01	-0.96	-2.55
Other key data					
Cash flow from operating activities	110	67	10	197	148
Depreciation/amortization fixed assets	46	44	41	110	103
Capital expenditure on (in)tangible fixed assets	68	63	76	76	92
Number of employees at closing date***	1,673	1,860	1,885	9,650	9,843
Number of issued financing preference shares	2,403,781	2,574,281	2,983,794	2,983,794	2,983,794
Equity per share in euros 4)	7.89	7.93	7.87	11.78	13.44
Ratios					
Net debt position/EBITDA 5)	0.4	-0.1	-0.2	2.0	2.8
Interest cover 6)	25.5	23.8	13.6	10.1	7.6
Balance sheet total : equity	1:0.6	1:0.6	1:0.7	1:0.4	1:0.4
Net debt position : equity	1:7.9	1:-87.7	1:-17.2	1:1.6	1:1.5
Current assets : current liabilities	1:0.4	1:0.6	1:0.4	1:0.4	1:0.6

* *The previous years have not been restated for discontinued operations later on.*
** *Only the preceding year has been restated for stock dividend.*
*** *Starting 2014 number of employees based on FTE, before 2014 based on headcount.*
1) *Per common share in euros after deduction of dividend on financing preference shares.*
2) *EBITDA margin % is EBITDA divided by net sales x 100.*
3) *Net debt position comprises interest-bearing debts less cash and cash equivalents.*
4) *Equity per share is equity divided by the number of shares with dividend rights.*
5) *EBITDA is "Earnings Before Interest, Taxes, Depreciation and Amortization and impairment of (in)tangible fixed assets" including acquisition/divestment results and including discontinued operations, and excluding one-off items.*
6) *Interest cover is EBITDA as defined in Note 4 divided by net interest income and charges.*

Information on the Corbion share

Share capital

Corbion is listed on Euronext Amsterdam.
As at 31 December 2015 59,904,209 common shares of € 0.25 each and 2,403,781 financing preference shares of € 0.25 each had been issued, including 483,446 common shares with Corbion.

Substantial shareholdings

Pursuant to the Financial Supervision Act, the following notifications of capital interest in Corbion as at 31 December 2015 were reported:

1 NN Group N.V.	19.98%	
2 ASR Nederland N.V.	5.20%	
3 RWC Partners Limited	5.07%	
4 J.O. Hambro Capital Management Limited	5.03%	
5 PrimeStone Capital LLP	3.03%	
6 NP Paribas Investment Partners SA	3.03%	
7 Lansdowne Partners Limited	1.96%	4.90% voting rights

N.B: As at 31 December 2015 Corbion nv has a capital interest of 0.78%.

Other information

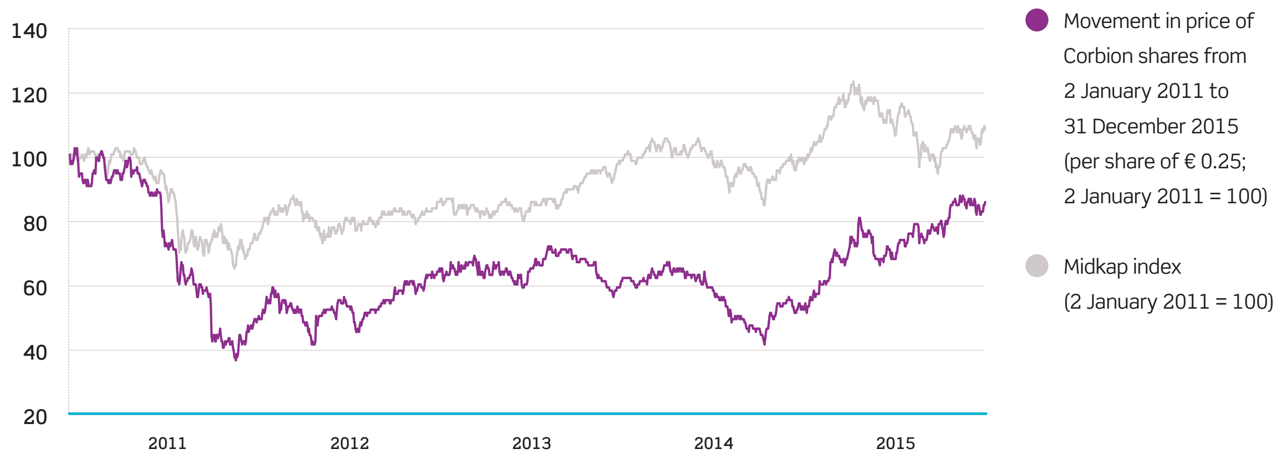
Millions of euros	2015	2014	2013	2012	2011
Number of common shares with dividend rights x 1,000 as at 31 December	59,421	61,557	61,177	69,910	67,580
Market capitalization in millions of euros as at 31 December	1,326	851	942	1,136	816
Highest share price	22.91	17.27	18.60	16.48	26.88
Lowest share price	12.70	10.56	14.41	10.49	9.25
Share price as at 31 December	22.32	13.82	15.40	16.25	12.08
Average daily turnover of shares	196,700	141,134	243,793	373,949	414,275

Important dates *

25 April 2016	Publication of the interim management statement first quarter 2016
12 May 2016	General Shareholders' Meeting
16 May 2016	Ex date
17 May 2016	Record date
19 May 2016	Dividend payable for 2015
10 August 2016	Publication of half-year figures 2016
21 October 2016	Publication of the interim management statement third quarter 2016
11 May 2017	General Shareholders' Meeting

** subject to change*

Trends in share price




CEREAL FOR CHAMPIONS

Thinking outside the box

Lots of people start their day by having cereals for breakfast. While enjoying breakfast you probably don't realize the importance of the glue that is keeping the cereal box together. But don't be mistaken, although glue is only a very small part of the packaging solution, it's a critical one that has to guarantee a solid bond, with no risk of any hazardous chemicals migrating into your food.

In 2011 Corbion joined forces with chemical specialty company Perstorp for the development of products for CASE markets (coatings, adhesives, sealants, and elastomers). This cooperation is based on good chemistry between these two companies

Corbion is a market leader in lactide monomers - a unique renewable material made from "nature's own" lactic acid; while Perstorp is a global leader in caprolactone monomers, with an extensive history in the specialty chemicals market for a wide variety of industries and applications. After four years of working together we are now scaling up products for adhesives.

Creating opportunities

For decades the adhesives industry has formulated hot melt adhesive products based on conventional fossil-oil based ingredients. With these ingredients, adhesive companies have formulated thousands of hot melts serving a wide variety of customer needs and requirements.

Now Corbion and Perstorp have introduced CAPA-PURALACT, a fully compostable product that is more than 80% biobased which enables adhesive manufacturers to meet a growing customer demand for safe, high performance and more sustainable products.

But this is easier said than done: because this is new chemistry for the industry, adhesive formulators will need to change the way they formulate adhesives based on this new technology. And this in turn creates opportunities for those who successfully achieve it, enabling themselves to differentiate from their competition.

Making things happen

This 'one in a decade' innovation is challenging the status quo, and requires people who are open minded and ready to think outside the box. It also means that the potential of the new technology must add value for the industry to compensate for the time and effort invested to incorporate the new technology into a final product.

It's a journey that is not just about great technology, but much more about people that think alike and are ready to do whatever it takes to take an industry forward.

Having a great product is one thing, but having great chemistry between people is what it takes to really make good things happen...


Sacs pour déchets

The compostable plastic bag

The emergence and increasing availability of compostable plastic bags, as stimulated by legislative policy in some countries like France and Italy, has borne a new identity for this traditionally single use item. The tables are turning on the stigmatized image of the humble plastic bag, as compostable alternatives bring a new lease of life to plastic bags and how best to use and dispose of them.

Plastic bags serve a valuable purpose around the globe, every day. They are a common form of packaging and just a few grams of plastic are needed for safely containing and transporting goods such as foods, produce, powders, ice, and magazines. However, in the US alone some 100 billion plastic bags are thrown away each year, which in turn require 12 million barrels of oil per year to manufacture. In the EU, meanwhile, citizens use an average of 198 plastic bags per year[1].

Misuse of plastic bags - for example by littering or excessive use - has harmed the image of this useful product and challenged its future in Europe. Governments and regulators are becoming increasingly anxious about their effects on the planet. This has resulted in some countries introducing legislative action to encourage plastics producers and bag manufacturers to employ smarter solutions with an improved ecological profile.

Closing the loop: A biobased beginning, a return back to nature

Carrier bags made from bioplastics are a valuable alternative to conventional fossil-oil based bags; and PLA-based compounds in particular are an excellent material for single-use shopping bags with a lower carbon footprint than the traditional oil-based version.

Furthermore, in countries where organic "biowaste" is collected (such as your household organic waste), shopping bags that are compostable in accordance with EN13432 can be used to collect that waste - in effect making it a dual use bag. Studies[2] have shown that compostable biowaste bags help to increase the amount of biowaste collected, which not only diverts this from landfills, but also contributes towards improving the quality of compost. Dual use also reduces the number of bags that are littered or end up in landfills: only 0.17% of single-use biodegradable bags are littered – compared to 6.7% of single-use non-biodegradable plastic bags[3].

Industrial composting

Once composted in an industrial composting facility (which employs specific elevated humidity and temperature levels), the certified compostable plastic bag, together with the nutrient-rich organic household waste it contains, gets returned to nature in the form of water, CO_2, and soil compost - which can then be used as a fertilizer. This fertilizer aids the growth of new plants (future raw materials) and effectively 'closes the loop': harnessing the value of nature's materials whilst eliminating the concept of waste.

Corbion's PLA resins certified compostable

Our PLA resin has been officially certified as compostable by European certification organization Vinçotte. In fact these PLA resins have been awarded the OK Compost logo[4] as well as the European Bioplastics Association's Seedling logo. Quite simply, these certifications enable our customers and partners further down the supply chain to develop compostable end-products based on a reliable and certified PLA resin foundation.
The humble plastic is indeed truly changing.

1) *European Commission: Assessment of impacts of options to reduce the use of single-use plastic carrier bags. Croatia was not yet included in this assessment*
2) *BASF: http://www.basf.com/group/pressemitteilungen/P-12-179*
3) *Commission Staff Working Document: Impact Assessment for a Proposal for a Directive of the European Parliament and of the Council amending Directive 94/62/EC on packaging and packaging waste to reduce the consumption of lightweight plastic carrier bags, table 3, p. 15.*
4) *Products or packaging featuring the OK compost label are certified by Vinçotte as biodegradable in an industrial composting plant. The sole reference point for the certification program is the harmonized EN 13432: 2000 standard, which adheres to the requirements of the EU Packaging Directive (94/62/EEC) http://www.okcompost.be/en/recognising-ok-environment-logos/ok-compost-amp-ok-compost-home/*

A 'healthy' approach to innovation

The American food industry faces one of its greatest challenges in years following the FDA's announcement of the withdraw of the GRAS (Generally Regarded As Safe) status for partially hydrogenated oils (PHOs) – otherwise known as trans fats – in processed foods by 2018. With manufacturers scrambling for an alternative, Corbion has seized this opportunity to bring an innovative new product portfolio to the marketplace...

Bringing it all together

PHOs have been embedded in the food industry for decades thanks to their ability to improve shelf life and taste, for example. To replace this long-established ingredient involves not only introducing a new product that replicates its functionality, but also ensuring this works in harmony with existing product applications and production processes.

Many believe it will cost the industry billions of dollars, and that's if everything goes as planned. So it's fortunate that here at Corbion we've spent the past two years working on a plan of our own - which will ensure our customers don't miss a beat.

This so-called 'drop-in' solution is available right now. It solves the PHO problem for customers, and it works in harmony with their existing set-up. It can even save them money. In short, it brings everything together. Its name? Ensemble.

What is Ensemble?

Ensemble is a unique portfolio of non-PHO emulsifiers that replicates the properties of PHO-based emulsifiers in baked goods and processed foods. In fact, it actually outperforms them in comparative testing: from shelf life, taste and texture to handling and processing.

This last point is critical for heavily automated bakeries, where Ensemble 'drops in' to their existing manufacturing operation with no reformation hurdles and no disruptions - unlike all other known PHO substitutes.

It's especially important because if the flow and handling properties of a substitute emulsifier cannot scale properly at the right dosage for every batch of baked products produced, the manufacturer will suffer major variations and inconsistencies in the taste and texture of the finished product. In other words, a commercial disaster.

Ready to go

In developing Ensemble, our technical team at Corbion was able to mimic the physical and chemical properties of PHO...but without the PHO. By exploiting our expertise in formulation and manufacturing processes, we were able to use different types of saturated and naturally unsaturated fats to deliver the functionality our customers depend on in a non-PHO format. In fact, the new portfolio outperforms the outgoing portfolio in many standard applications.

As a brave new non-PHO world unfolds for Corbion's customers, early adopters of Ensemble have found that not only is the solution delivering on its promise of improved performance, it's actually saving them money.

In one particular example, our Ensemble product has demonstrated a 20% improved effectiveness when compared to its PHO predecessor. This reduced usage rate translates into lower operating costs for our customers.

As the name suggests, Ensemble really is bringing it all together for our customers.

Plugging customers into the market

How can we as Corbion work more effectively to meet customer needs and drive our long-term profitability? To tackle this question we've been forensically re-examining the complex relationship between customers, the market, products, and most importantly our people. With some interesting results...

Letting the market lead

Pleasing customers is a cornerstone of any successful business. But what if customers don't always necessarily know what they want – or indeed need?

In hyper-competitive sectors like Food and Chemicals it's becoming increasingly clear that the one quality truly driving value and profitability for customers is innovation. And to apply that successfully you need insight - which is why at Corbion we have reorganized ourselves to become more market-led in our relationships with customers.

Core teams

To be led by the market it's essential to be plugged into that market; so we created a series of industry Core teams that now work across key segments.

These industry core teams are cross-functional and connected directly to all the trends, news, competitive insight, upcoming legislation, and global shifts that shape the needs of our customers in the relevant markets. From here they work closely with Corbion product teams (responsible for portfolio management) and sales teams (who manage the customer relationship).

The result: By creating stronger connective tissue between this core of market-product-customer, Corbion's people are now far less reactive and more creative in meeting customer needs, both now and in the future.

Profitable growth

In terms of profitability, a key part of this process has been learning to focus our efforts on the market sectors where we have both a strong capability in benefitting the customer and the all-important potential for us to apply that capability to achieve profitable growth.

So far we have identified a handful of market sectors across our Food and Biochemicals business segments where we are developing solutions, increasing our portfolio - and looking after our customers.

Cultural change

Without doubt, this has involved significant cultural change at Corbion. Internal training has been ongoing throughout this year to give our people the skills and tools to make the new approach work, covering everything from key account management and sales effectiveness to commercial excellence.

Rather than working with customers across multiple engagement points, Corbion's core teams are now presenting a single cohesive face to the customer built on greater empathy for each other and where (and how) they can really make a difference.

After all, it's people that drive profit.

On the road to sustainable sugar cane

Sugar cane is one of the more remarkable plants on our planet. It not only contributes hugely to the food and biochemical industry, but also enables the development of bioplastics – not least here at Corbion. This is why we have joined forces with fellow companies across the value chain to work with Bonsucro in its quest for a constantly improving sugar cane industry.

Sugar cane is very important to Corbion - it's an essential ingredient for our main scientific platform of lactic acid. To fulfill our purpose of improving the quality of life for people today and generations to come we need to ensure our sugar cane is sourced responsibly. But as a single player in the sugar cane industry, our scope for achieving major change is limited.

To create an industry that respects people, planet and profit, everyone in the supply chain needs to work together towards a shared goal: which is exactly the mission of Bonsucro, a non-profit multi-stakeholder organization dedicated to ensuring a sugar cane industry that is continuously improving social, economic, and environmental performance.

Bonsucro has around 400 members around the world, from farmers, to sugar mills, to ingredient manufacturers like Corbion, to retailers and brands. The organization brings together all the players in the supply chain; and through its unique metric-based certification scheme - The Bonsucro Production Standard - the organization is now laying down a clearly defined roadmap to help the industry improve.

Working with our suppliers

The Bonsucro Production Standard covers the following five key principles:

1) Obey the law
2) Respect human rights and labor standards
3) Manage input, production and processing efficiencies to enhance sustainability
4) Actively manage biodiversity and ecosystem services
5) Continuously improve key areas of the social, environmental, and economic sustainability

Across these five principles Bonsucro has defined metric-based indicators that mills and farms need to comply with in order to achieve certification against the Bonsucro Production Standard.

Now, as a Bonsucro member, we are working directly with our own network of industry suppliers - from Thailand to Brazil – to implement the Standard.

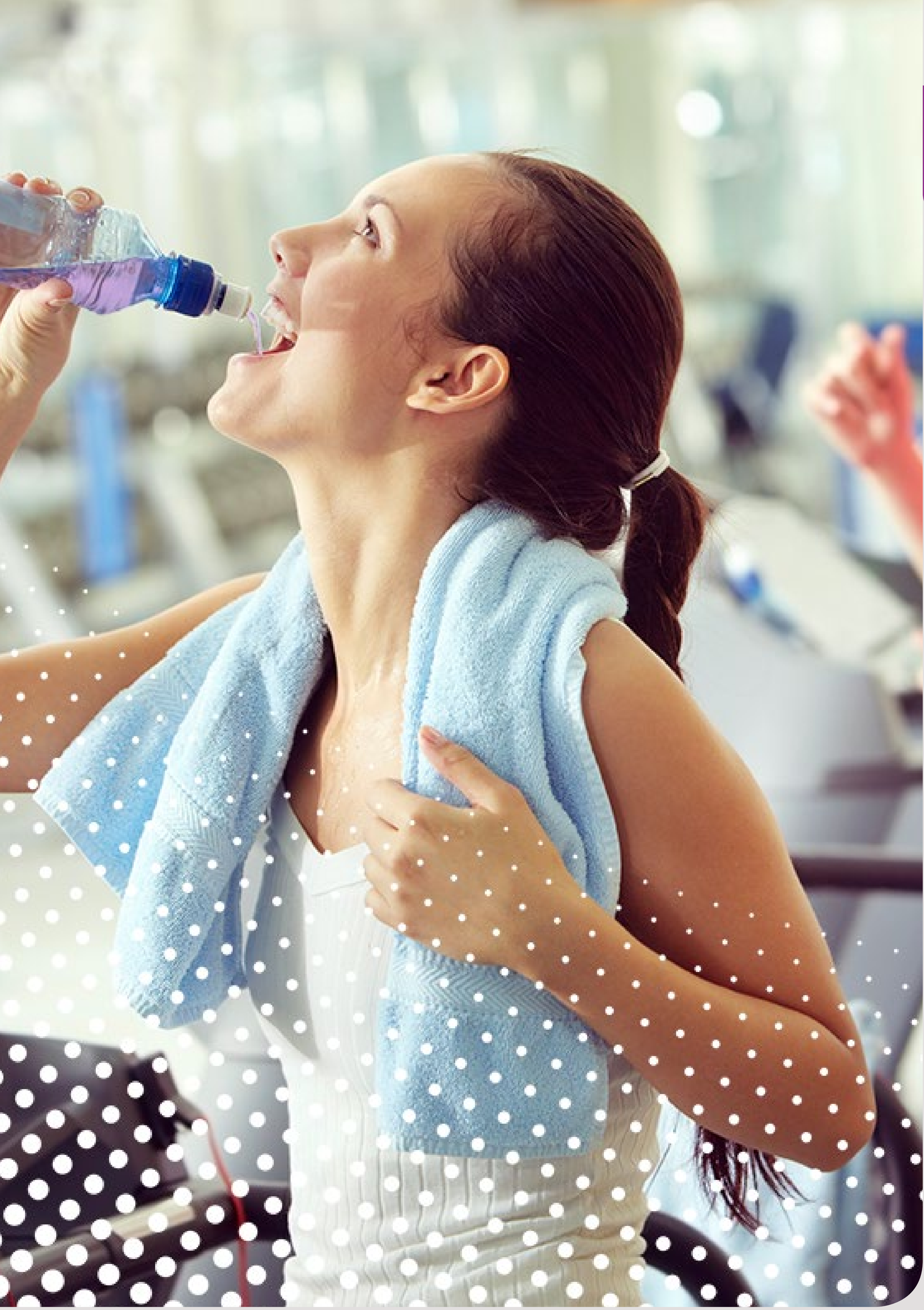
What this means in practice is that we are identifying with our suppliers the areas where improvement is needed to enable them to meet the Standard – giving them an opportunity to make the changes necessary to achieve the Standard, which includes answering questions and lending our expertise wherever we can.

The road ahead

A long road lies ahead. To put that into perspective, today some 4% of the sugar cane industry holds the Bonsucro Production Standard. However, Bonsucro is aiming for a 20% penetration rate by 2017.

To make that a reality, Bonsucro continues to identify and recruit more industry players to join the scheme and begin the long re-education process with suppliers, many of them from less economically developed countries.

The end game: by pooling knowledge and resources and working together as an industry we have a far better hope of achieving real change and creating a sugar cane value chain that's united in its will for fair, safe, and sustainable production.



At your service

Great products are important. But so too is great service when it comes to nurturing profitability. Metering and milling are just two examples of how Corbion's expertise is delivering improved results for customers, through more efficient flour production; and via hugely reduced development times in beverage R&D...

Mixing the drinks

Almond milk, coffee-fruit smoothies, 'craft' cola, chia drinks, protein shakes, kombucha...

In the beverage sector, manufacturers literally cannot develop new products fast enough to keep up with consumer demand. The traditional route to market involves a lengthy product development phase, which in turn involves multiple people, laboratory tests, and scientific reports.

Having supplied ingredients to the beverage industry for years, we've now solved this problem with a revolutionary predictive modeling wizard called Corbion ELECSIS.

This web-based tool conducts sophisticated mathematical calculations for different formulations, speeding up beverage development by eliminating phases and activities of the product development stage for Corbions' key customers.

Results in minutes

What it means in practice is that instead of taking days, weeks or even months to determine the perfect composition for a beverage, customers can determine the right balance of properties in a drink – such as pH levels, osmolality, or the formation of unwanted solid particles – in as little as 90 seconds.

Already, the calculating power of Corbion ELECSIS is being applied to another sector afflicted by complex product development issues, Confectionery. Here manufacturers have traditionally struggled to attain the perfect balance of sourness and stickiness of certain types of candy.

Now, just like their counterparts in the beverage industry, our confectionery customers can fast-track their development to get a step ahead of the competition by using the (ELECSIS based) Corbion Sourness & Stability calculator.
Sweet news indeed.

Flour power

In the United States, 7 out of every 10 loaves sold are made using Corbion ingredients. To put that in perspective, in the state of Kansas alone enough wheat is harvested every year to produce 36 billion loaves.

Once this wheat is harvested it goes to the milling industry to be transformed into flour – where ingredients ranging from vitamin premixes to dough conditioners (often from Corbion) are added to the flour mix in order to meet strict FDA regulations.

These ingredients need to be added reliably and consistently on an enormous scale, if the manufacturer adds too little to the flour mix, they risk falling short of FDA levels; but if they add too much they are effectively wasting valuable ingredients and losing money.

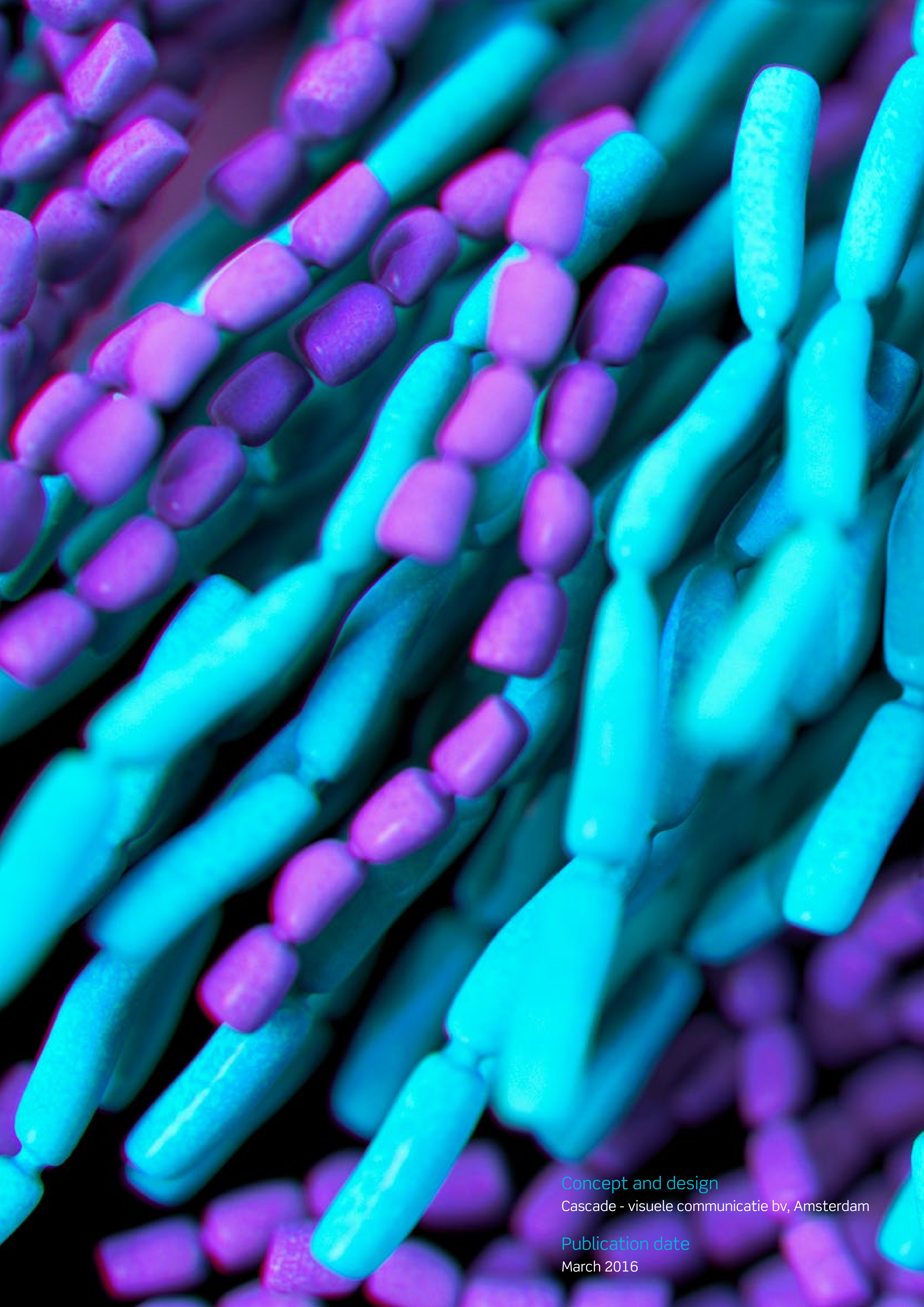
Getting the balance exactly right is a fine art, and it's here that Corbion's milling solution comes into play...

Getting the balance right

Our milling solution mixes, adds and manages these ingredients through a finely calibrated operation.
The technology is highly reliable, very low maintenance and easy to use – and is supported by our service technicians who travel around the country ensuring that it stays that way.

In a deeply traditional business built on trust, it's great news for customers.

True flour power.



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