



ANNUAL REPORT ON THE REMUNERATION OF THE DIRECTORS
OF LABORATORIO REIG JOFRE, S.A.

Tax Code: A96184882
Registered office: Gran Capita 10, Sant Joan Despi (Barcelona), Spain
Reference year-end date 31/12/2015

ANNEX 1

ANNUAL REPORT ON REMUNERATION OF LISTED COMPANY DIRECTORS

IDENTIFICATION DETAILS OF ISSUER

REFERENCE YEAR-END DATE

31/12/2015

Tax Code

A-96184882

COMPANY NAME

LABORATORIO REIG JOFRE, S.A.

REGISTERED OFFICE

GRAN CAPITA 10, SANT JOAN DESPI (BARCELONA)

MODEL OF ANNUAL REPORT ON REMUNERATION OF LISTED COMPANY DIRECTORS

A COMPANY REMUNERATION POLICY FOR CURRENT YEAR

A.1 Explain the company's remuneration policy. This heading will include information on:

- General principles and bases of the remuneration policy.
- *Significant changes made in the remuneration policy in relation to the policy applied during the previous year, as well as any amendments that have been made during the year to the conditions relative to the exercising of options that have already been granted.*
- Criteria and composition of the comparable groups of companies whose remuneration policies have been examined to establish the company's remuneration policy.
- Relative importance of variable remuneration in relation to fixed remuneration and the criteria used to determine the various components of the directors remuneration package (remuneration mix).

Explain the remuneration policy

a) General principles and bases of the remuneration policy

Laboratorio Reig Jofre, S.A.'s (the "Company") remuneration policy has been developed in accordance with the provisions of Article 32 of the Bylaws and Chapter VI of the Board Regulations, which provide the regime for the remuneration of the Board of Directors. The remuneration policy for 2015 was approved by the Company's Board of Directors upon the proposal of the Appointments and Remuneration Committee on April 29, 2015, and by the Shareholders Meeting held on June 11, 2015.

It was established that, for 2015, the Directors were to receive fixed, periodic remuneration for the performance of their duties, to be determined by the General Shareholders Meeting, as well as compensation for the expenses incurred as a result of their attendance at the Board sessions. By means of an agreement adopted to this effect, the Board of Directors distributes the aforementioned remuneration among its members in accordance with the criteria, method and amount that it establishes.

Both the aforementioned remuneration and per diems are compatible with and independent of any remuneration that the Directors may perceive for performing other executive duties within the Company.

The Directors' remuneration may consist of shares, share options or other options referenced to the share value, provided that such remuneration agreements are determined by the General Shareholders Meeting in accordance with the provisions of Article 217 of the Corporate Enterprises Act.

The Shareholders Meeting must approve the remuneration policy. This policy, in accordance with Article 24 of the Board Regulations, must determine at least the amount of the fixed components, variable concepts (the classes of directors to which they apply, performance assessment criteria, fundamental parameters and an estimation of the absolute amount of the variable remuneration), the main characteristics of the prevision systems and the conditions that apply to the contracts of those who hold senior management posts, such as executive directors (duration, notice periods, other clauses such as compensation, "golden-parachutes", etc.).

b) Significant changes with regard to the policy applied during the previous year

On December 31, 2014, the agreement adopted by the Company's Extraordinary Shareholders Meeting, held on October 25, 2014, as part of the merger between Natraceutical, SA, and the former Laboratorio Reig Jofre, SA, was implemented, and by means of which the previous Board of Directors resigned in full and a new Board of Directors was appointed. The new Board of Directors was responsible for establishing the remuneration policy for 2015.

The outgoing Board was composed of: 1 executive director, 3 proprietary directors, 1 independent director and 1 outside director.

At year-end 2015, the Company's Board of Directors consisted of: 2 executive directors, 1 proprietary director and 5 independent directors.

Taking into account the change in size of Natraceutical, SA after its merger with Laboratorio Reig Jofre, SA, and the new composition of the board to ensure maximum parity between the interests of the majority and the minority shareholders, the main changes regarding the policy applied during the previous year were:

In 2014, the members of the Board of Directors and the members of the Board Committees received per diems for attendance at the meetings of the mentioned bodies for the amount of 1,087 Euros for each Board meeting attended and for the amount of 543 Euros for each Audit Committee or Appointments and Remuneration Committee meeting attended. This amount was not accrued in favour of the CEO.

In 2014, the CEO received a gross fixed remuneration of 260,000 Euros.

In 2015, the Board members received a fixed remuneration of 28,000 Euros for each director, with the exception of the Chair, who received a remuneration of 50,000 Euros. Similarly, and in the concept of per diems for attendance at Board meetings, the members of this body received a fixed amount of 1,000 Euros per attendance at each Board Meeting. This amount was not accrued in favour of the Chair or the CEO. Membership of Board Committees is remunerated with 5,000 Euros per member director.

In 2015, the CEO received a gross fixed remuneration of 200,000 Euros.

The comprehensive fixed remuneration received by members of the Board was 362,892 Euros and 544,000 Euros in 2014 and 2015, respectively.

SUMMARY OF CHANGES

Company pre-merger

- Turnover: 29.5 M €

- Composition of the Board: 1 executive director, 3 proprietary directors, 1 independent director and 1 outside director.

- Total fixed remuneration of the Board in 2014: 0.363 M €

Company at 31/12/2015

- Turnover: 152.5 M €

- Composition of the Board: 2 executive directors, 1 proprietary director and 5 independent directors.

- Total fixed remuneration of the Board in 2015: 0.544 M €

c) Criteria employed to establish the Company's remuneration policy.

The remuneration policy for the Company's outside directors is mainly aimed at appropriately remunerating directors for the dedication and responsibility assumed by each within the Board and its Committees.

Every effort shall be made to ensure that Directors receive remuneration which is commensurate with the accepted market rates in companies of similar size and activity as expressly established in the Board Regulations.

The Directors remuneration policy is to be appropriately adapted to the economic climate and the international context.

d) Relative importance of variable remuneration in relation to fixed remuneration and the criteria used to determine the various components of the directors remuneration package (remuneration mix).

Under Article 24 of the Board of Directors Regulations, the Board's remuneration policy may include fixed as well as variable concepts. However, only the CEO was the recipient of variable remuneration in relation to their executive functions during 2015.

With regard to the Executive Directors, the fundamental criterion employed is based on offering a remuneration for the undertaking of executive functions other than those derived from their membership of the Board of Directors, that makes it possible to attract, retain and motivate the best professionals in order to enable the Company to meet its strategic objectives within the increasingly competitive and internationalized context in which it operates.

Consequently, the remuneration policy for executive directors is designed to:

- i. Ensure that the remuneration, in terms of its structure and total amount, meets the best practices and is competitive in relation to other comparable national and international companies, taking into account the situation in the geographical areas in which the Company operates.
- ii. Establish remuneration with objective criteria
- iii. Include an annual variable component linked to performance and the achievement of specific, predetermined and measurable objectives.

A.2 Information on the preparatory work and decision-making process that has been followed to determine the remuneration policy and the role, if any, of the Remuneration Committee and other supervisory bodies in shaping the remuneration policy. This shall include information, if applicable, about the mandate and composition of a remuneration committee, the names of external consultants whose services have been used in determination of the remuneration policy.

Similarly, the character of the directors who, when applicable, have been involved in the definition of the remuneration policy is to be detailed.

Explain the process employed to determine the remuneration policy

The Appointments and Remuneration Committee was responsible for the configuration and design of the Board members remuneration policy for 2015. Once established, the policy was submitted to the approval of the Board.

For 2015, and as a result of the change of the Board following the merger between Natraceutical, SA and the former Laboratorio Reig Jofre Lab, SA, the Appointments and Remuneration Committee conducted a market analysis in order to establish the remuneration policy for independent directors.

A.3 Indicate the amount and nature of the fixed components, itemized where necessary, of the executive directors' remuneration for the performance of senior management functions, the additional remuneration received by the Chair or by members of the Board's committees, the expenses for attendance at Board and Committee meetings and any other fixed remunerations received by directors, as well as an estimate of the fixed annual remuneration to which they give rise. Identify other benefits that are not paid in cash and the basic parameters to which they are subject.

Explain the fixed components of the remuneration

The directors remuneration policy applied during 2015 responded to the following structure:

- A fixed remuneration of 28,000 Euros for each director for their position on the Board of Directors, with the exception of the Chair, who received a remuneration of 50,000 Euros;
- A fixed amount of 1,000 Euros for each Director for attending each Board Meeting. This amount is not accrued in favour of the Chair or the CEO;
- A fixed amount of 5,000 Euros for each director who is also a member of one of the Board Committees.
- The current CEO has a 4-year commercial contract with the Company, renewable at the end of the term, and which defines the applicable remuneration system and all the responsibilities inherent to the post.

In addition to the above-mentioned components, as a member of the Board of Directors the CEO receives an annual gross salary of 200,000 Euros, which includes all payments in kind.

The estimate of the fixed annual remuneration, assuming no changes in the composition of the Board as configured at year-end 2015, and also assuming the attendance of all Board members at the various sessions of the governing bodies, is 511,000 Euros.

A.4 Explain the amount, nature and main characteristics of the variable components of the remuneration systems.

Specifically:

- Identify each of the remuneration plans of which directors are beneficiaries, their scope, date of approval, implementation date, validity period and main features. In the case of share option plans and other financial instruments, the general features of the plan are to include information on the conditions for exercising the corresponding options or financial instruments.
- Indicate any remuneration in the concept of profit sharing or bonuses, and why they were granted.
- Explain the main parameters and rationale for any annual bonus schemes.

- The classes of directors (executive directors, outside directors, independent directors or other external directors) who are beneficiaries of remuneration systems or plans that incorporate a variable remuneration.
- The rationale for any variable remuneration systems or plans, the performance assessment criteria chosen, as well as the assessment components and methods for determining compliance with the assessment criteria and an estimate of the absolute variable remuneration to which the current remuneration plan would give rise, in accordance with the degree of compliance with the reference hypotheses or objectives.
- Where appropriate, information is to be provided about the deferral periods established and/or periods of retention of shares or other financial instruments, if any.

Explain the variable components of the remuneration systems.

Under Article 24 of the Board of Directors Regulations, the Board's remuneration policy may include fixed as well as variable concepts.

However, only the CEO was the recipient of variable remuneration during 2015.

A variable remuneration was established for the 2015 fiscal year for the Company's CEO, based on the reaching of strategic and economic-financial objectives. Under no circumstances would the variable remuneration exceed 1.5 times the CEO's gross annual salary.

The variable remuneration subject to annual targets will be paid in the three years following the year in which these objectives have been reached. Nevertheless, deferred payments will not be effective if the new targets determined for the current year are not reached in the years in question.

A.5 Explain the main features of the long-term savings systems, including for retirement and any other long-term provision, partially- or fully-financed by the company, with internal or external allocations, with an estimation of their amount or equivalent annual cost, indicating the type of plan, if it is contributory or whether it provides a defined benefit, the conditions governing the consolidation of the economic rights in favour of the directors and the compatibility with any type compensation for the early termination of the contractual relationship between the company and the director.

Also indicate the contributions in favour of Directors to defined contribution pension plans; or the increase of the Director's vested rights, in the case of contributions to defined benefit plans.

Explain the long-term savings systems

The Company has no obligations relative to pensions, life insurance or any other system of long-term savings.

A.6 Indicate any indemnities agreed or paid in the event of the termination of a director's functions.

Explain the compensation

No indemnities have been agreed or paid in the event of the termination of a director's functions, with the exception of those detailed in point A.7 in relation to the CEO's executive responsibilities.

A.7 Indicate the conditions that apply to the contracts of those performing Senior Management functions, such as executive Directors. Among others, information is to be provided on the duration, the limits to the amount of compensation, the permanence clauses, the advance

notice terms, as well as payment in substitution of the mentioned advance notice term, and any other clauses relative to contracting bonuses, as well as compensation or “golden parachutes” in the event of the early termination of the contractual relationship between the company and the Executive Director. Include, among others, any agreements or covenants relative to non-competition, exclusivity, permanence or loyalty and post-contractual non-competition.

Explain the conditions of the executive directors' contracts

Term: 4 years as of the registration of the post of CEO in the Companies Register, or until the expiry of the post. The term may be automatically extended, where applicable, by the successive periods for which the CEO is re-elected.

Exclusivity: during the contract period, the CEO may not provide any kind of services to any other company that is not part of the Company's Group, independently of the nature of such activities, without the express authorization of the Company.

No competition: once the contract has terminated, the CEO shall not provide services to other companies whose corporate purpose or activity is the same as or similar to that of the Company, or perform, independently, a competitive activity for a period of 2 years following the termination of the contract, independently of the cause of the termination, except with the express authorization of the Company to provide such services or perform such activities.

In the concept of economic compensation, the Company will pay the CEO, post-contractually, an amount equal to 100% of the annual remuneration for all concepts for the last year.

Compensation: in the event of the termination of the Contract, the following criteria shall apply with respect to the calculation of the following amount payable to the CEO:

- If the contract is terminated following a decision by the Company with 3 months notice, the CEO will be entitled to receive an amount equivalent to 39 days of total remuneration (fixed plus variable remuneration) for each year that they have undertaken functions in the Company. This amount will be calculated pro rata in the event of incomplete years. Those cases in which the contract is terminated by resignation or retirement, death, absolute or total permanent disability are exempt from the above, as are those cases in which the cause of termination of the contract is derived from a non-fulfilment of its provisions by the CEO, or a failure by the CEO to comply with their duties of loyalty and due diligence in the terms established by the law.

In the absence of notice by the Company, the CEO shall additionally be entitled to an amount equivalent to the remuneration corresponding to the duration of the unfulfilled period.

- If the contract is extinguished upon the decision of the CEO, the CEO will be entitled to the same compensation as above, provided any of the following causes are incurred:

1. Substantial changes in the conditions of the tenure as CEO.
2. Non-payment or continuous delays in the payment of the agreed remuneration.
3. The succession of the Company or a significant change in the ownership thereof (including, without limitation, the change of control in the Company), provided that the termination of the contract occurs within 3 months of such changes.
4. Any other serious breach of its contractual obligations by the Company, except in cases of force majeure, in which cases the payment of the mentioned amount will not apply.

A.8 Explain any additional remuneration earned by directors for special services rendered outside the scope of the usual functions of a director.

Explain the additional remunerations

No director accrued additional remuneration for services other than those inherent in their post during 2015.

A.9 Indicate any remuneration paid in the form of advances, credits and guarantees, indicating the interest rate, its key features and any amounts repaid, as well as the obligations assumed in the concept of guarantees.

Explain the advances, loans and guarantees extended

No directors are beneficiaries of beneficiary of advances, loans or guarantees.

A.10 Explain the main features of the remuneration in kind.

Explain the remunerations in kind

No director is a beneficiary of wages in kind. In the case of the CEO, the fixed salary allocated annually includes any payment in kind.

A.11 Indicate the remuneration accrued by the director by virtue of the payments made by the quoted company to a third entity in which the director provides services, when such payments are destined to remunerating the services provided by the director to the company.

Indicate the remunerations accrued by the director by virtue of the payments made by the quoted company to a third entity in which the director provides services

There is no remuneration for this concept.

A.12 Any other remuneration concept different to those mentioned above, independently of their nature and provenance within the group, especially when considered a related party transaction or when the issue of the same distorts the true and fair view of the total remuneration earned by the director.

Explain other remuneration concepts

With the exception of the information provided in the preceding paragraphs, the members of the Board have not been granted or do not receive any other remuneration from the company.

A.13 Explain the actions taken by the company in relation with the remuneration system to reduce exposure to excessive risk and adjust it to the company's objectives, values and long-term interests, which shall include, where applicable, a reference to: the measures contemplated to ensure that the remuneration policy takes the company's long-term results into account, measures which establish an appropriate balance between fixed and variable remuneration components, measures taken in relation to those categories of staff whose professional activities have a material impact on the company's risk profile, recovery formulas or clauses for claiming the return of the remuneration's results-based variable components when such components are paid on the basis of data which is subsequently revealed as manifestly inaccurate, and measures designed to prevent conflicts of interest, if any.

Explain the actions taken to reduce risks

The actions taken by the company in relation with the remuneration system to reduce excessive risk exposure and adjust the system to the company's long-term objectives, values and interests are primarily the following:

- a) Establish remuneration for external directors that does not compromise their independence, but which remunerates their responsibility and dedication to the Company.
- b) Remunerate the CEOs in accordance with the accepted market rates in companies of similar size and activity.
- c) Establish a variable remuneration for executive directors linked to their development and that of the Company and, in all events, limited to a maximum in relation to their basic salary.

B REMUNERATION POLICY PLANNED FOR FUTURE YEARS

Repealed.

C GLOBAL SUMMARY ON METHOD FOR APPLICATION OF REMUNERATION POLICY DURING PREVIOUS TAX YEAR

Provide a summarised explanation of the main features of the remuneration policy's structure and remuneration concepts applied during the year ended, including a breakdown of the individual remuneration earned by each of the directors reflected in Section D of this report, as well as a summary of the decisions taken by the Board to implement these concepts.

Explain the structure and remuneration concepts of the remuneration policy applied during the year

The General Shareholders Meeting held on June 11, 2015 approved the proposal for Directors remuneration for this year, issued by the Board of Directors and formulated on the proposal of the Appointments and Remuneration Commission, in the following manner:

- A fixed remuneration of 28,000 Euros for each director for their position on the Board of Directors, with the exception of the Chair, who will receive a remuneration of 50,000 Euros.

Between January and August 2015, the Company's Board was composed of 9 directors. Following the resignation of the Natra, SA, director, the Board of Directors was composed of 8 directors.

- A fixed amount of 1,000 Euros for each Director for attending each Board Meeting in person. This amount will not be accrued in favour of the Chair or the CEO.

7 attendance sessions of the Board of Directors were held during 2015.

- A fixed amount of 5,000 Euros for each director who is also a member of one of the Board Committees. The Company has two Board Committees, consisting of three directors each.

- In addition to the above-mentioned components, as a member of the Board of Directors the CEO receives an annual gross salary of 200,000 Euros, which includes all payments in kind. Similarly, and based on the reaching of strategic and economic-financial objectives, the CEO may receive variable remuneration, which under no circumstances would exceed 1.5 times the CEO's gross annual salary.

D BREAKDOWN OF INDIVIDUAL REMUNERATION ACCRUED BY EACH OF DIRECTORS

Name	Type	Accrual period 2015
NATRA, S.A.	Proprietary	From 01/01/2015 to 31/07/2015.
REIG JOFRE INVESTMENTS, S.L.	Proprietary	From 01/01/2015 to 31/12/2015.
IGNASI BIOSCA REIG	Executive	From 01/01/2015 to 31/12/2015.
ALEJANDRO GARCÍA REIG	Executive	From 01/01/2015 to 31/12/2015.
ANTON COSTAS COMESAÑA	Independent	From 01/01/2015 to 31/12/2015.
EMILIO MORALEDA MARTÍNEZ	Independent	From 01/01/2015 to 31/12/2015.
RAMON GOMIS BARBERA	Independent	From 01/01/2015 to 31/12/2015.
MARIA LUISA FRANCOLI PLAZA	Independent	From 01/01/2015 to 31/12/2015.
RAMIRO MARTÍNEZ-PARDO DEL VALLE	Independent	From 01/01/2015 to 31/12/2015.

D.1 Complete the following tables relative to the individualized remuneration of each of the Directors (including remuneration for the performance of executive functions) accrued during the year:

a) Remuneration accrued in the company subject to this report:

i) Remuneration in cash (in thousands of €)

Name	Salaries	Fixed remuneration	Per diems	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership of Board committees	Compensation	Other concepts	Total 2015	Total 2014
REIG JOFRE INVESTMENTS, S.L.	0	50	0	0	0	0	0	0	50	0
IGNASI BIOSCA REIG	200	28	0	217	0	0	0	0	445	0
NATRA, S.A.	0	21	5	0	0	4	0	0	30	9
ANTON COSTAS COMESAÑA	0	28	7	0	0	5	0	0	40	0
MARIA LUISA FRANCOLI PLAZA	0	28	7	0	0	5	0	0	40	0

Name	Salaries	Fixed remuneration	Per diems	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership of Board committees	Compensation	Other concepts	Total 2015	Total 2014
RAMON GOMIS BARBERA	0	28	7	0	0	1	0	0	36	0
RAMIRO MARTÍNEZ-PARDO DEL VALLE	0	28	7	0	0	5	0	0	40	0
EMILIO MORALEDA MARTÍNEZ	0	28	7	0	0	5	0	0	40	0
ALEJANDRO GARCÍA REIG	0	28	7	0	0	5	0	0	40	0

ii) Share-based remuneration systems

iii) Long-term savings systems

b) Remuneration earned by company directors for membership of the boards of other group companies:

i) Remuneration in cash (in thousands of €)

Name	Salaries	Fixed remuneration	Per diems	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership of Board committees	Compensation	Other concepts	Total 2015	Total 2014
REIG JOFRE INVESTMENTS, S.L.	0	0	0	0	0	0	0	0	0	0
IGNASI BIOSCA REIG	0	0	0	0	0	0	0	0	0	0
ALEJANDRO GARCÍA REIG	0	0	0	0	0	0	0	0	0	0
NATRA, S.A.	0	0	0	0	0	0	0	0	0	0
ANTON COSTAS COMESAÑA	0	0	0	0	0	0	0	0	0	0
MARIA LUISA FRANCOLI PLAZA	0	0	0	0	0	0	0	0	0	0
RAMON GOMIS BARBERA	0	0	0	0	0	0	0	0	0	0
RAMIRO MARTÍNEZ-PARDO DEL VALLE	0	0	0	0	0	0	0	0	0	0
EMILIO MORALEDA MARTÍNEZ	0	0	0	0	0	0	0	0	0	0

ii) Share-based remuneration systems

iii) Long-term savings systems

c) Summary of remuneration (in thousands of €):

The summary must include the amounts for all remuneration concepts included in this report and which have been accrued by the director, in thousands of Euros

In the case of long-term savings systems, the corresponding contributions are to be included:

Name	Remuneration earned in the Company				Remuneration earned in group companies				Totals		
	Total cash remuneration	Amount corresponding to shares granted	Gross profit of options exercised	Total FY 2015 Company	Total cash remuneration	Amount corresponding to shares delivered	Gross profit of options exercised	Total FY 2015 Group	Total FY 2015	Total FY 2014	Contribution to saving systems during year
REIG JOFRE INVESTMENTS, S.L.	50	0	0	50	0	0	0	0	50	0	0
IGNASI BIOSCA REIG	445	0	0	445	0	0	0	0	445	0	0
ALEJANDRO GARCÍA REIG	40	0	0	40	0	0	0	0	40	0	0
NATRA, S.A.	30	0	0	30	0	0	0	0	30	9	0
ANTON COSTAS COMESAÑA	40	0	0	40	0	0	0	0	40	0	0
MARIA LUISA FRANCOLI PLAZA	40	0	0	40	0	0	0	0	40	0	0
RAMON GOMIS BARBERA	36	0	0	36	0	0	0	0	36	0	0
RAMIRO MARTÍNEZ-PARDO DEL VALLE	40	0	0	40	0	0	0	0	40	0	0
EMILIO MORALEDA MARTÍNEZ	40	0	0	40	0	0	0	0	40	0	0
TOTAL	761	0	0	761	0	0	0	0	761	9	0

D.2 Report on the relationship between the remuneration perceived by the directors and the profits or other means of measuring the company's performance, explaining, when applicable, how the variations in the company's performance may influence the variations in the director's remuneration.

While the new company created via the merger of Natraceutical, SA, and Laboratorio Reig Jofre, SA, in December 2014 significantly increased its economic-financial figures in relation to the pre-merger society, the changes in the Board of Directors fixed remuneration system for 2015 respond mainly to changes in the structure of this governing body. The most significant of these changes was the increase in the number of independent directors from 1 to 5.

D.3 Report on the outcome of the advisory vote of the General Meeting on the annual report on the previous year's remuneration, indicating the number of any negative votes cast:

	Number	% of total
Votes cast	1,096,492,604	87.03%

	Number	% of total
Votes against	2,300	0.00%
Votes in favour	1,096,490,304	87.03%
Abstentions	0	0.00%

E OTHER RELEVANT INFORMATION

Provide a brief summary of any relevant information relative to Directors remuneration that has not been detailed in the other sections in this report but which is necessary in order to reflect the most complete and reasoned information on the company's remuneration structure and practices in relation to its directors.

N/A

This annual remuneration report was approved by the Company's Board of Directors at its Meeting held on 27/04/2016.

Indicate whether any Directors voted against or abstained from voting on the approval of this report.

Yes

No