

INTEGRATED
REPORT
2012

CONTENTS

Message from the Chairman and CEO of Fluidra	4
01 The Fluidra Group	7
Key strategies	
Main figures for 2012	
Business model	
Main milestones in 2012	
02 Financial Results	17
Macroeconomic environment	
Fluidra's economic performance	
Share price performance	
03 Advances in responsible management	29
Mission and values	
Corporate social responsibility policy	
CRS strategic plan	
04 Dialogue with our stakeholders	37
Creating value for shareholders and investors	
Fluidra's people: growing together	
Standing by our customers	
Shared responsibility with our suppliers	
Committed to the environment	
Contributing to society	
Appendices	87
Report parameters and valuation	
GRI/AENOR audit	
Table of performance indicators	
GRI table	
Useful Addresses	
Survey	



Joan Planes
Chairman

“Fluidra remained firmly committed to internationalisation and diversification in 2012 in the framework of its engagement to deliver sustainability in the day-to-day running of the business”

Message from the Chairman [1.1]

I am addressing you once again this year to give you a breakdown of the Group’s most relevant events in 2012. It was a complex year in macroeconomic terms, but Fluidra was nevertheless able to demonstrate the strength of its financial discipline, the soundness of its business strategy centred on internationalisation and diversification, and the sustainable growth of all of its business areas.

The uncertainty of the financial markets last year and the general macroeconomic situation in the south of Europe had a direct bearing on our business. Faced with this scenario, Fluidra continued to make inroads in areas in which it can see potential: we opened five new branches (Indonesia, Jordan, Romania, Montenegro and Colombia); we continued to expand our line of business involving turnkey projects with the signing of major contracts (the Cartoon Amazon Network water park in Thailand is a case in point); and we set up a joint venture in China to manufacture PVC valves and fittings. This strategic acquisition will enable us to supply the market in China and, by extension, the whole of Asia.

This drive clearly shows that despite the obvious impact of the financial crisis on our business overall, in 2012 Fluidra stuck to its firm commitment to internationalisation and diversification in the framework of its engagement to deliver sustainability in the day-to-day running of the business. All of which forms the basis of our strategic plan.

There is little to be gained from reaching major business targets if they cannot form part of a sustainable growth strategy that makes them meaningful with the potential to bring about growth in the future. Aligning our business with long-term development is a basic standard that underlies the way our Group runs its operations. Aware of this, Fluidra bolstered the implementation of its lean management strategy by continuing to increase efficiency and the profitability of all of its activities.

Our commitment to implementing realistic corporate responsibility policies designed to achieve tangible targets is clear to see. A good example of this is the 2012 Integrated Report, the second that Fluidra has published, with the aim of demonstrating our commitment to transparency, ethics and social responsibility.

Our solid balance sheet, the diversification of assets, our strong financial position and our rigorous management system will enable us to continue building up our business plans and to pay our shareholders the returns they deserve. All of this is carried out in the framework of sustainable growth and social responsibility.

Message from the CEO [1.1]

Fluidra closed 2012 with a 1% consolidated growth of sales of and a 3% increase in the EBITDA. These figures reflect the positive trend in all of the company's main lines of business, thanks to its commitment to internationalisation and efficiency.

The growth in sales in 2012 was due to general strong international growth (Asia, Australia, the Americas and Eastern Europe), which made up for the fall of some markets in the south of Europe. The turnover of our main line of business (pools) remained stable and saw strong growth in added value products that deliver efficiency and sustainability. Likewise, the fluid handling business also recorded a growth in sales of around 20%, thanks to the setting up of the joint venture Fluidra Youli in China in the last quarter of the year.

In terms of Cash Flow, the company had an extremely successful year. On an organic level, 29.2 million Euros was generated in free cash flow, which fell to 17.8 million Euros once the effect of inorganic investments in the year had been taken into account.

The Net Financial Debt at the closing of 2012 was in line with the level of debt we had forecast: 180.6 million Euros, which is 2.5 times the NFD/ EBITDA.

As far as the Profit and Loss Account is concerned, the EBITDA rose to 72.2 million Euros, up 3% on the previous year, thanks to the deleveraging of operations in the south of Europe, increased efficiency and international growth.

The Profit and Loss Account reflected the huge efforts we are making to adapt our structures in mature markets, the investments made in growing markets and the cost of restructuring our debt, which we did in June.

The overall results were Net Revenues in the region of 14.5 million Euros, a slight drop on the figure reported in the previous year. Without taking the cost of adapting structures into account, the growth of Net Profits rose to 16.2 million Euros, an increase of 7%.

At the year closing, the Fluidra share price was 2.225 Euros, which translates as an overall increase of 19% in 2012. This increase was boosted by a new wave of confidence in Spanish equity by foreign institutional investors, following two years of low levels of investment.

We are currently going through exceptional times and we must therefore take exceptional measures to successfully overcome the challenges facing us. We are therefore involved in the implementation of projects that will, on the one hand, enable Fluidra to perform as well as it did before the outbreak of the international financial crisis and, on the other, to maintain the geographic growth rates that we have set ourselves by expanding our branch offices in all areas in which there is a high potential for the development of our business activities.

As part of this process of change that we are going through, in 2012 we completed major steps on our road map, whilst making additional efforts in the process of internationalisation and diversification by laying down solid foundations for future growth.

The joint venture set up in China in the last quarter of the year was the result of our pursuit of this strategy. Fluidra Youli is the ideal platform for us to expand our fluid handling line of business in Asia and the Pacific. Our target over the next three years is to attain a market share of 10% of this sector in the Chinese market, whose annual turnover we have calculated to be 300–350 million Euros. The company, which is based in Wenzhou, manufactures PVC valves, piping and fittings, both in American and European measurements. It will serve as a platform for us to build up and support our fluid handling business, whether in Asia or other relevant markets such as Mexico, India and the US.



Eloi Planes
CEO

“We are currently rolling out projects that will aim at returning to the profit levels we had before the international financial crisis broke out and at keeping to the rhythm of expansion across the world that we had planned”

“We believe that the economic climate in 2013 will be similar to 2012, which means that we will once again face the challenge of the duality of the world with which we interact daily, so we must continue to gain an in-depth understanding of how it works and anticipate its needs”

This joint venture brings to light that Fluidra is a driving force in international markets and that it is firmly committed to diversification. Furthermore, it reflects the fact that we wish to realise our full potential and that we are confident that we will be able to do so in a growing market such as China and the Asia region overall.

It is particularly worth highlighting the intense process of internationalisation that the Group is currently carrying out. In 2012, we opened five new branches around the world: Indonesia, Jordan, Romania, Montenegro and Colombia. There is huge potential for the growth of the pool/wellness line of business and we can draw on our experience to place all of our products in these markets, thus increasing our market share.

In 2012 we worked extremely hard to strengthen our position in South America and, particularly, in Brazil. To do so, we had set ourselves the target of securing an industrial base from which we could grow. This became a reality in February 2013 following the acquisition of Veico, a young business created five years ago specialised in the manufacture of pool accessories. We hope that this step will enable us to gain a relevant market share in the mid-term in Brazil, a market we estimate is worth 200 million Euros and whose pool park is currently made up of 1.4 million units, 8% of the world's park.

Our global foothold and the evolution of international markets, which are increasingly gaining importance over our traditional European market, combined with our untiring efforts to implement rigour, rationalisation and improved efficiency, once again enabled Fluidra to demonstrate its resilience.

Today our company is more efficient, more innovative, more international and more diverse, with a constant capacity for investing in future sources of growth. The results of 2012 prove the success of our strategy, based on commitment, internationalisation, diversification, innovation and efficiency.

We believe that the climate will be similar in 2013 to 2012, which means that we will once again face the challenge of the duality of the world with which we interact daily, so we must continue to gain an in-depth understanding of how it works and anticipate its needs. On the one hand, we will focus our efforts on gaining a greater market share in mature markets, based on diversification, our strong foothold and leading position, whilst continuing to concentrate on the deleveraging of operations through the initiatives we have put in place. On the other hand, we will continue to invest in areas that have greater growth potential by boosting the company's international development, opening new branch offices, increasing our share in those markets that we have recently entered and diversifying beyond the pool side of our business.

We will continue to build on our commitment to society and the environment. Our aim is to become a global group able to deliver sustainable solutions and applications. Our acute awareness of what water means for the survival of the world as we know it means that we are fully committed to the future. Our future.

Fluidra has demonstrated that it is a strong company that has ambitious and consistent plans for the future. We are placed in an ideal position that makes us confident that we will continue to improve.

We are striving to build a great future and are working together in order to do so.

Thank you to everyone for the trust placed in Fluidra.



01

2012 INTEGRATED REPORT

**THE FLUIDRA
GROUP**

As it stands today, the Group has sound and consistent plans for the future, thanks to the work of two generations

Fluidra is a multinational group devoted to developing applications for the sustainable and rational use of water. The Group, which became a listed company on 31 October 2007, delivers solutions for the preservation, handling, treatment and enjoyment of water however it is used (leisure, domestic and industrial use).

The companies that belong to the Group, some of which have been up and running for over 40 years, have specialised in business units:

- Pool and wellness
- Water treatment
- Fluid handling and irrigation
- Projects

With a business strategy focused on internationalisation, diversification and innovation in order to ensure the sustained growth of all of its lines of business, the company has consolidated itself as one of Spain's industrial groups with greatest international outreach. It currently operates in 41 countries through 150 branch offices and production plants.

1.1 1.1 Key strategies: a solid company in a sector with a bright future [1.2]

The Fluidra Group currently concentrates its efforts on the following key strategies:

- **A market of the present and the future.** The water sector is a strategic business on a global level. There is currently a big market for products that make sustainable use of water that will continue to grow in the future because it is a scarce resource that is essential to life.
- **Leading position.** The group has a leading position in most of the markets in which it operates. It is one of the world leaders in the pool market and is ranked amongst the top irrigation businesses in several countries in Europe. It is a clear leader in water treatment and fluid handling in Spain.
- **Internationalisation.** The company has a clear commitment to its international business as it operates directly in 41 countries and 53% of its employees work outside of Spain. Its sales in foreign markets in over 170 countries now account for 80% of its turnover.
- **Diversification of markets and customers.** The company has a foothold in four different market segments: residential, commercial, agricultural and industrial. Its experience in a number of sectors makes it more flexible and less dependent on one specific segment. Moreover, it has over 39,000 customers, none of whom account for more than 1% of its turnover.
- **Capacity for the acquisition and integration of companies.** This enables the company to strengthen its position in a certain area and to add to its catalogue of products.
- **Financial stability.** In the current complex economic climate, Fluidra is a strong and healthy business, with a very solid balance sheet that continues to generate profit and value.

MAIN FIGURES FOR 2012 [2.8]

Turnover: **629** million Euros

EBITDA: **72** million Euros

Profit: **14.5** million Euros

Operating investments: **22** million Euros

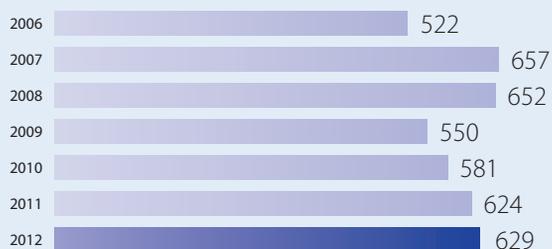
Staff: **3,700** people (average in 2012)

Internationalisation: operations in **41** countries through **150** branch offices and production plants

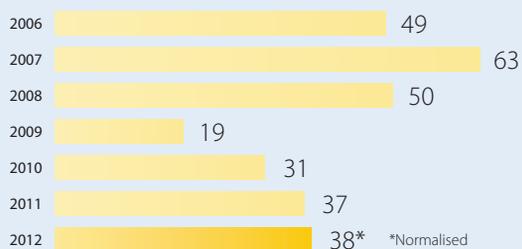
Products distributed in over **170** countries

Number of active customers: **39,000**

TURNOVER

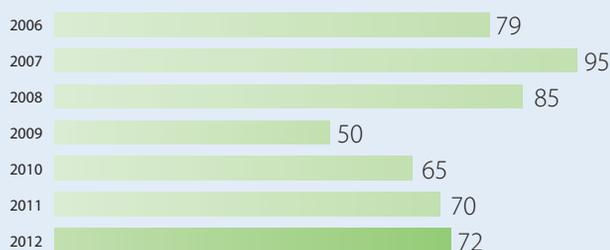


EBIT



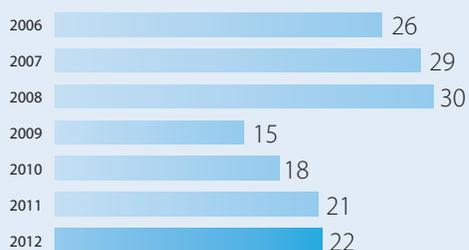
Figures in millions of Euros according to IFRS-EU standards. 2006 Proforma: turnover of €546 M - EBITDA €79 M - EBIT €52 M - Operating investments €26 M.

EBITDA

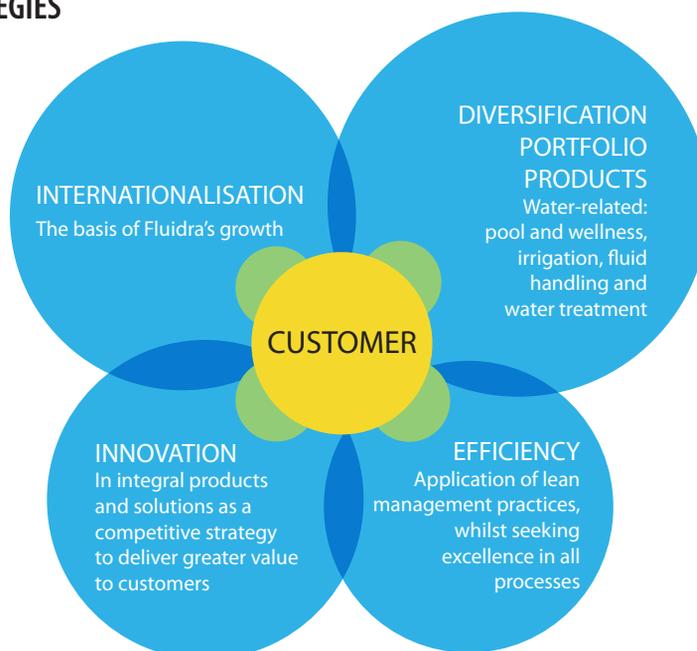


Figures in millions of Euros

OPERATING INVESTMENTS



KEY STRATEGIES



1.2 Business model

Fluidra has a vertical business model that covers R&D&i, production, logistics and marketing through its extensive international network. This business model makes it possible to diversify risk and create major entry barriers to keep its competitors out of the market.

R&D&i. Fluidra has a multidisciplinary R&D model that focuses on sustainable solutions for each of its business units, made up of centres of excellence and technical centres coordinated by head office.

Production. Production of complete ranges for pools, water filtration and accessories for fluid handling. Flexible multi-technology plants in key countries.

Logistics. Automated logistics operator on a 55,000 m² facility with a capacity to dispatch 150,000 pallets per year and to pack 20,000 case pickings daily.

Distribution. Distribution network specialised in providing solutions to each of the business units with direct operations in 41 countries.

Own industrial network

The Group's production plants are found in the main markets and they work with different technologies: plastic injection, extrusion, polyester projection, moulding, rubber processing and the production of chlorine, amongst others. This structure makes it possible to manufacture complete ranges for each of the business units under different brand names.

Moreover, the Fluidra Industry production centres offer their services to customers outside of the Group and they manufacture products or complete ranges for their customers' brands.

The vertical business model covers R&D&i, production, logistics and marketing through an extensive international network

OWN INDUSTRIAL NETWORK



INJECTION
PLASTIC INJECTION
Spain - Australia - China



POLYESTER
LAMINATED AND BOBBIN-
WOUND FILTERS
Spain - China - Turkey - USA



METAL PROCESSING
Spain - Australia - China



**THERMOPLASTIC AND
BLOW MOULDING**
Spain - Australia - China



**RUBBER
INJECTION**
Spain



CHEMICALS
Spain - Mexico - Italy



EXTRUSION
Spain - China



**VITREOUS
TILING**
Spain



ELECTRONICS
Spain - Australia

OPERATIONS IN 41 COUNTRIES [2.5, 2.7]

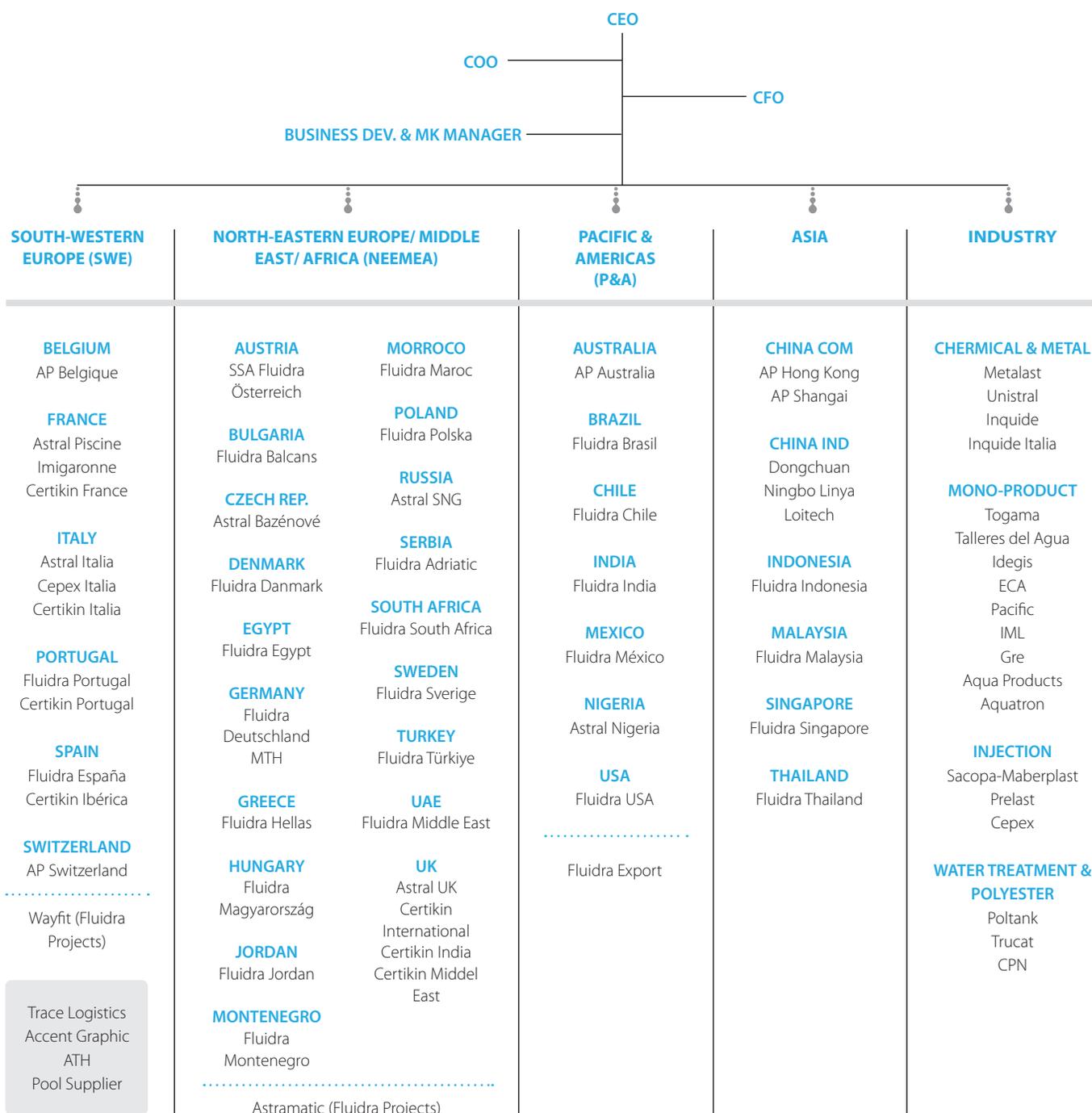


Australia, Austria, Belgium, Brazil, Bulgaria, Chile, China, Colombia, Cyprus, Czech Republic, Denmark, Egypt, France, Greece, Germany, Hungary, India, Indonesia, Israel, Italy, Jordan, Malaysia, Mexico, Montenegro, Morocco, Nigeria, Poland, Portugal, Romania, Russia, Serbia, Singapore, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, United Arab Emirates, United Kingdom, USA.

Organisational structure [2.3, 2.5]

Fluidra has grouped its companies into four main geographical divisions. The commercial divisions are: South-Western Europe (SWE), North-Eastern Europe/Middle East/Africa (NEEMEA), Pacific & Americas (P&A), and Asia.

ORGANISATIONAL CHART



BUSINESS UNITS [2.2]

The company has an extensive portfolio of brands, which are divided into four business units related to water: pool/wellness, water treatment, irrigation and fluid handling. Each unit concentrates on four different market segments: residential, commercial, agricultural and industrial.

		MAIN BRANDS	EXAMPLES OF APPLICATIONS	DISTRIBUTION CHANNEL	OTHER BRANDS
WELLNESS	Residential		<ul style="list-style-type: none"> Family pools, above-ground pools, wellness centres for public and private use. 	<ul style="list-style-type: none"> Professional channel: AstralPool, Certikin, CTX Hypermarkets: Gre, Spool 	IML, ECA, Togama, Idegis, Pacific
	Commercial		<ul style="list-style-type: none"> Pool equipment for residential communities, clubs, competition pools, wellness centres, water parks and hotels. Skyppool technology 	<ul style="list-style-type: none"> Professional channel: AstralPool, Certikin, CTX 	IML, ECA, Togama, Idegis, Pacific
WATER TREATMENT	Residential		<ul style="list-style-type: none"> Descaling and demineralising systems in private homes. 	<ul style="list-style-type: none"> Retail channel 	ATH
	Commercial		<ul style="list-style-type: none"> Residential and hotel complexes, golf courses and tourist areas. 	<ul style="list-style-type: none"> Professional channel 	Poltank, CPN, Blaufish
	Agricultural		<ul style="list-style-type: none"> Water treatment for agricultural irrigation systems. Reuse of urban wastewater for irrigation. 	<ul style="list-style-type: none"> Professional channel 	
	Industrial		<ul style="list-style-type: none"> Desalination. Drinking water. Treatment of feed and process water. Treatment of wastewater Reuse of water 	<ul style="list-style-type: none"> Professional channel 	Poltank, CPN
IRRIGATION	Residential		<ul style="list-style-type: none"> Gardens and private residential areas 	<ul style="list-style-type: none"> Retail channel 	Master Riego, Urbangreen
	Commercial		<ul style="list-style-type: none"> Public green spaces, sports complexes, golf courses. 	<ul style="list-style-type: none"> Professional channel 	Irrigaronne, Master Riego
	Agricultural		<ul style="list-style-type: none"> Crops, greenhouse cultivation, root crop farming. 	<ul style="list-style-type: none"> Professional channel 	Irrigaronne
FLUID HANDLING	Residential		<ul style="list-style-type: none"> Water and sanitary facilities, and water distribution. 	<ul style="list-style-type: none"> Retail channel 	
	Commercial		<ul style="list-style-type: none"> Pumping systems, wastewater treatment. 	<ul style="list-style-type: none"> Professional channel 	
	Agricultural		<ul style="list-style-type: none"> Irrigation systems, automatic filtration systems. 	<ul style="list-style-type: none"> Professional channel 	
	Industrial		<ul style="list-style-type: none"> Filter stations, cooling pipes. 	<ul style="list-style-type: none"> Professional channel 	

MAIN MILESTONES IN 2012 [1.2, 2.9, EC9]

LAUNCH OF A JOINT VENTURE IN CHINA

Following an exhaustive analysis of opportunities, a joint venture was successfully launched in China: Youli Fluid Systems, in which Fluidra has a 70% holding and a local partner the remaining 30%. Headquartered in Wenzhou province, the new company specialises in the manufacture of PVC piping and fittings for industrial fluid handling. Fluidra Youli, which will be providing the manufacturing facilities and distribution network, produces CPVC and UPVC (extrusion and injection) for the manufacture of valves, fittings and piping in European and American measurements.

This operation has given a new boost to the Group's process of internationalisation and strengthened its market share in Asia, where it has become the leader in pool sales. At the same time, this is a great step forward in the company's diversification and has increased turnover of industrial fluid handling products, which now account for 8% of consolidated sales. The aim of Fluidra Youli is to increase its penetration of this market in China to reach 10% over the next three years, in addition to serving as a platform for opening other markets such as the United States and Mexico.



CONSOLIDATION OPERATIONS IN BRAZIL

Throughout 2012, Fluidra made a concerted effort to strengthen its position in the South American market, especially in Brazil. The country has managed to build

up an industrial base that should open up new opportunities for expansion over the next few years. The building up of the business in Brazil crystallised in February 2013 with the acquisition of the company Veico, which specialises in the manufacture of pool fittings and has its own production plant in the province of Santa Catarina, in the south of the country. Fluidra is thus able to draw on Veico's manufacturing capacity in a market where the construction of new pools has increased by 10% over the past few years. By taking this step, Fluidra hopes to gain a relevant market share in the mid-term in Brazil, a market the Group estimates is worth 200 million Euros and whose current pool park – 1.4 million units – accounts for 8% of the world's pool park.

NEW INTERNATIONAL SUBSIDIARIES

In the framework of its ongoing focus on international growth as a strategic line, five new international subsidiaries joined the company in 2012.

- **Indonesia:** opening of a branch office in Jakarta through the acquisition of a local company, Dunia Renang, the second largest company in the sector with a 20% market share and an annual turnover of 3 million Euros.
- **Jordan:** launch of the Fluidra Jordan subsidiary, based in Amman, with the aim of strengthening the Group's foothold in the Middle East, a region in which efficient water management is crucial. The new subsidiary will run operations in all four business units and will act as supplier both in Jordan and other countries in the region (Syria, northern Iraq and the West Bank). The company also operates in Egypt, the Arab Emirates, Israel and Turkey.
- **Romania and Montenegro:** two new branch offices that add to those the Group already has in Poland, the Czech Republic, Serbia and Bulgaria. Accounting for

4.7% of total turnover, Eastern Europe is a strategic area for the Group.

- **Colombia:** the initial driving force behind the new branch office in Colombia will be the pool segment, backed up by a growing middle class, followed by fluid handling, thanks to the country's strong industrial development. The country's climate and its popularity as a tourist destination will help realize the full potential for growth in the region.

FIRST INTERNATIONAL WATER PARK IN THAILAND

Fluidra has signed an agreement with Amazon Falls Co. Ltd. to work together on the Cartoon Network Amazone theme park, which it is hoped will attract over 800,000 visitors each year and become one of the main tourist destinations in Thailand. Fluidra will be responsible for the hydraulics and fluid handling parts on the park's grounds, which are to cover 55,000 m². Alongside luxury hotels and spas, the tourist complex will include high-speed water rides, a huge children's play area with over 150 attractions and two enormous water slides, a river for adventure activities and a wave pool.

RECOGNITION OF THE INTERNATIONAL EXPANSION STRATEGY [2.10]

Fluidra's international expansion strategy has been acknowledged by the Spanish business association *Círculo de Empresarios* in its sixth edition of its Annual Report on the Internationalisation of Spanish Businesses, which it publishes in collaboration with the Wharton School of the University of Pennsylvania. The Group's expansion has been recognised together with the track record of other leading companies such as Banco Santander,



First international water park in Thailand

OHL, Ford, Iberdrola, Privalia and the consortium that is to build the Medina-Mecca high-speed rail link.

PREMIUM WELLNESS CENTRE IN ANDORRA

One of the Group's most significant developments in 2012 was the INÚU Caldea wellness centre in Andorra. Designed by the architect Jean-Michel Ruols, he came up with a new concept for this wellness centre built in state-of-the-art facilities. The centre has three indoor lagoons at different levels that flow into each other and a fourth separate pool. All of the pools have curved edges, which were made using stainless steel component parts. Likewise, the bottom of the pool is made of the same material arranged in a radial pattern that mirrors the focal point of the glass roof covering the building, which virtually sits on the channel of the river Valira.

As an additional feature, the bathing areas have a special lighting system that makes it possible to create different

atmospheres. Opened in 2013, the project built by Fluidra is worth 1.2 million Euros.



INÚU Caldea wellness centre in Andorra.
Architect: Jean-Michel Ruols

ASTER AWARD FOR BEST BUSINESS TRACK RECORD [2.10]

The Aster Award for Best Business Track Record was given to Fluidra for its continual efforts in innovating the industrial sector, its internationalisation and its business plan. Presented annually by the ESIC business school since 1982, the Aster Awards are given in recognition of the professional achievements of people and organisations. Their ultimate aim is to encourage relations between academia and the business world. The 2012 edition of these awards was held during the graduation ceremony of the ESIC business school in Barcelona. It was attended by the president of the Government of Catalonia, Artur Mas, with an audience of over 800 people. The award was collected by Jaume Carol, director general of Business Development.



ASTER Awards prize giving ceremony

02

2012 INTEGRATED REPORT

**FINANCIAL
RESULTS**

[1.2, 2.8] In its efforts to overcome the adverse economic climate, Fluidra managed to record a slight increase in its turnover of 0.8% to reach 628.8 million Euros.

The earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 2.9% to reach 72.2 million Euros, and a net profit of 14.5 million Euros was made. This slight drop of 3.8% was due to expenses related to the restructuring of businesses in the south of Europe.

The company was able to offset the decline in business sustained in Spain and the other countries in southern Europe thanks to the strong growth of 26.6% in the Asia and Australia region, which was strengthened by the company in China that recently joined the Group, Fluidra Youli. In the 2012 business year, 80% of sales were made outside of Spain, thus also increasing the turnover from outside of Europe to 31%.

In an analysis of performance by business unit, it is worth highlighting the stability of the Pool Unit and the notable increase of 19.6% of the Fluid Handling Unit.

2.1 Macroeconomic environment

Throughout 2012, the crisis in the Euro zone continued to be the main source of international concern and instability. The essence of the European Union, its integrated markets, and its common and efficient monetary policy all came under threat over the year.

The business sector in the countries in the south of the Euro zone was subject to total restrictions on lending as a consequence of the massive deleveraging of banks and of the strain of sovereign debt in the countries most affected by this climate of crisis.

Outside of the European Union, Japan was faced with a high deficit and the highest debt levels on record. Asia and Latin America generally seemed able to put up a better fight, although several of their main economies were more prone to the risks entailed of finding themselves in the final stages of a credit cycle: a prolonged period of rising prices of goods and an increase in debt.

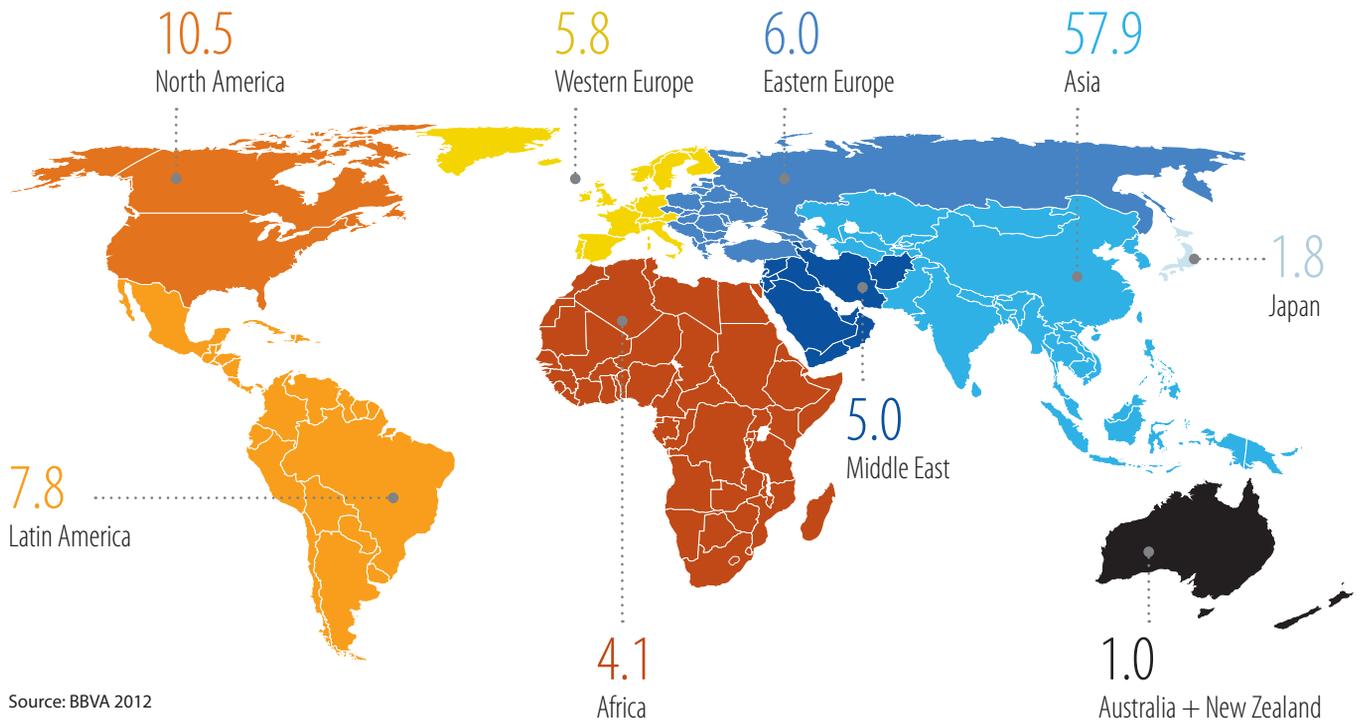
This international climate has led to joint efforts by the authorities in a number of countries to check this situation and set the international economy straight. All told, this is leading everybody to conduct business differently, even in financial institutions.

As regards the fourth quarter of 2012, the rate of the slowdown of the world's economy was less than in previous quarters. This created a mood of hope that all regions were on track for recovery.

Europe

Over the final months of 2012, markets in Europe were seen to perform well and financial constraints seemed to ease. The risk premium on sovereign debt was still high in some countries, but the measures adopted served to dispel any rumours about the breakup of the Euro zone. The European Commission, the International Monetary Fund and the Central European Bank managed to reach new agreements with the Greek government. Furthermore, the first steps were taken to draw up a single rule book for supervising banks.

In its efforts to overcome the adverse economic climate, Fluidra managed to record a slight increase in its turnover of 0.8% to reach 628.8 million Euros

BREAKDOWN OF WORLD ECONOMIC GROWTH BETWEEN 2011 AND 2012 (as a % of total growth)

Source: BBVA 2012

USA

The economy of the United States picked up at the end of 2012: industrial activity started to recover, consumption was in better shape and the construction sector continued to improve. The job market continued to create employment, although not to any significant degree. Furthermore, there was increasing uncertainty about the large gap between public spending and caps on borrowing. The way in which both of these matters are being dealt with will have an impact on the country's economic recovery and on the performance of the rest of the world economy

South America

Business started to pick up in South America towards the back end of 2012. Following an initial negative impact on foreign trade due to international financial constraints and a clear drop in consumption in the more advanced economies, domestic demand remained robust and, in general, inflation fell within the levels set by the central banks.

China

The declining trend slowed down in the last quarter. Figures would seem to indicate stabilisation in the sectors most affected by the global downturn and, overall, exports and business in general seemed to recover in comparison with previous quarters.

2.2 Fluidra's economic performance

[EC.a, EC.b, EC.c, EC.d]

Fluidra's turnover reached 628.8 million Euros in 2012, slightly up on that reported in 2011, with profit before tax of 20.8 million Euros. Despite the moderate growth in sales, the operating income (EBITDA) increased by 2.9%, which translates as 72.2 million Euros in 2012 in comparison with 70.2 million Euros in the previous year.

Of the figures for annual turnover, it is worth highlighting the strong growth of 3.7% in the final quarter due to the joint venture company Youli in China that specialises in fluid handling products and fittings. The purpose of this operation was to gain a strategic foothold in the manufacturing sector in the Chinese market so that the company could expand locally.

The evolution of net financial debt showed an increase of 4.1 million Euros, including both the investment in net working capital (9.3 million) and the acquisition of Aqua (9.9 million).

Free cash flow amounted to 29.2 million Euros, in comparison with 21 million the previous year. This growth reflects the positive net earnings obtained of 14.5 million Euros, even taking into account the increase in amortisations and impairment losses.

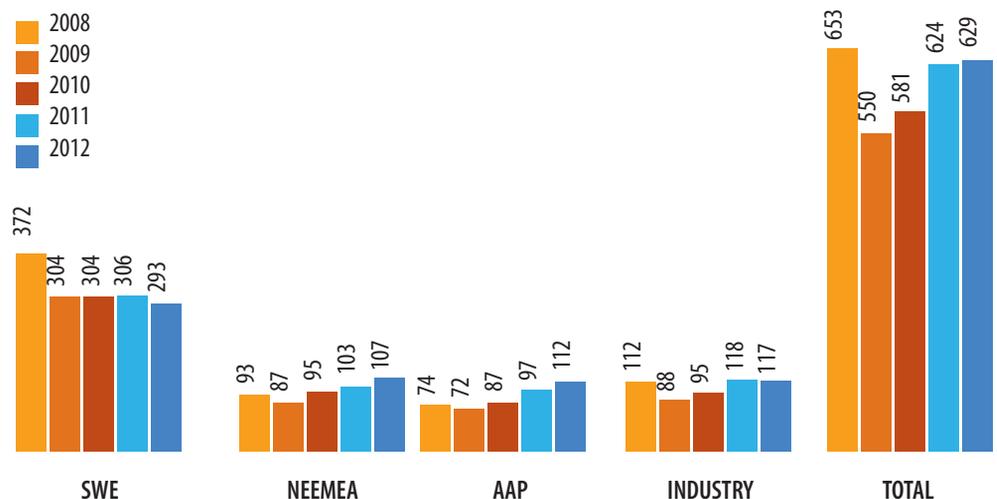
Sales performance by geographical area

Annual turnover grew by 3.7% in the last quarter, prompted by the joint venture with the company Youli in China

The performance of organic turnover underwent a slight drop on last year's figures. The Spanish market continued to show losses, with business falling by 7.6%, which was compensated for by the wellness projects carried out. Moreover, Spain was replaced as Fluidra's main market in terms of annualised turnover by France.

The rest of southern Europe recorded a drop of 5.4%. Although the French market grew by 3.8%, the Portuguese and Italian markets declined by 25% and 15%, respectively. These

NET SALES TO THIRD PARTIES



declining figures were offset by the growth of the Asia and Australia region, whose turnover in organic terms increased by 21%.

The strategic line of internationalisation continued to be rolled out, although traditional markets began to lose their prominence. This shift can mainly be seen in southern Europe, which in 2011 accounted for 57% of turnover whilst in 2012 it had dropped to 53%. Therefore, although the company's sales figures are comparable to those in the previous year, it effected a turnaround in its expansion as a Group, with areas outside of Europe acquiring increasingly greater importance.

Sales performance by business unit

As far as the organic growth of business lines is concerned, the decline in the Pool Unit (-1.7%) should be highlighted. It was particularly badly hit by the drop in commercial pool projects (-7-7%). The other units (water treatment, irrigation and fluid handling) reported overall growth of 1%, which will be further strengthened in coming business years following the strategic acquisition of Youli in China.

The Group's profitability

The EBITDA increased by 2.9%, which in real figures translates as 70.2 million Euros as at 31 December 2011 versus 72.2 million Euros as at 31 December 2012. This growth is far higher than the increase in sales, namely, 11.5% in the 2012 business year as compared with 11.2% in 2011.

The main factors that explain this difference are:

- The 0.2% drop in the gross margin on sales due to the above average increase in sales of fluid handling products and wellness projects, which have a lower consolidated gross margin as they do not include a manufacturing margin. The drop in prices in certain private pool markets also had a negative effect.
- The net operating expenses (sum of personnel expenses and other operating expenses net of the earnings from services and work carried out on fixed assets, and before variations due to trade provisions,) showed excellent performance as a result of the implementation of lean management measures in the production plants, as well as of the new model for branch offices and other initiatives for reducing expenses, fundamentally in the area of southern Europe.

The 1.4 million reduction in net operating expenses had two effects. On the one hand, the exchange rate of the Euro against all other currencies, which resulted in a negative impact of 4.4 million Euros. On the other hand, the effect of the acquisitions – Aqua and Youli in China, which involved an additional expense of 2.9 million Euros. Without taking these effects into account, the reduction in net operating expenses would have been -3.7% on the comparable figure for the previous year.

In order to analyse the financial results, the effect of the estimated fair value of financial liabilities resulting from the acquisition of Aqua should be put to one side. This acquisition was recorded at 13.4 million Euros in the chapter on Financial Income. Without this effect, the financial profit would have increased by 0.9 million Euros. In turn, this performance can be traced back to two factors. On the one hand, the improved differences

The ground lost in southern Europe was offset by the increased turnover in the Asia and Australia region, which grew by 21%

The EBITDA underwent an increase of 2.9%

in exchange rates, which rose from -2.8 to 0.2 million Euros as a consequence of the evolution of currencies and of the measures taken by the Group to reduce exposure to exchange rates. On the other hand, the taking out of a new syndicated loan, which had an impact on financial expenses of 2.0 million Euros. All other increases were basically brought about by the higher average cost of debt. (For further details, see the notes to the Consolidated Annual Accounts.)

The evolution of the Net Profit made by the parent company showed a downward trend of 3.8% that dropped from 2.4% on sales in 2011 to 2.3% on sales in 2012.

Division performance

The evolution of sales and profit in the divisions showed the same trends, both in terms of geographical areas and of the general variation in the Group's EBITDA. It should be highlighted that the commercial divisions do not include direct sales in key accounts; this turnover is included in the Industry Division. The Asia Division is included in the America, Asia and Pacific (AAP) Division.

The SWE (South-Western Europe) Division experienced a 4.6% fall in sales, due above all to the decline of the Italian and Portuguese markets. Despite the measures taken to contain costs, which have made it possible to reduce operating costs by 3.6 million Euros, market pressure on retail prices caused the EBITDA to fall by 1.8 million Euros.

The Industry Division, which handles the Group's production activities, as well as the Aqua Group and the recent acquisition of Youli in China, saw their sales figures grow by 0.2%. Their EBITDA margin rose by 3.4%, a far higher increase than sales thanks to the lean management programmes to improve the efficiency of production.

The NEEMEA (North-Eastern Europe, the Middle East and Africa) Division saw a spectacular increase in its performance, essentially due to increased profit margins and the reduction in operating costs. The EBITDA rose from 11 million Euros in 2011 to 12.4 million Euros in 2012, which translates as a 12.7% increase.

Geographical distribution of sales

	2008	2009	2010	2011	2012	Var. 11/12
Spain	202	146	150	141	131	-7.5%
Rest of Southern Europe	223	202	202	212	200	-5.3%
CN Europe	93	80	80	87	85	-2.5%
Eastern Europe	30	23	24	29	30	3.7%
Asia & Australia	68	68	86	93	118	26.6%
Rest of the world	37	33	39	62	65	4.4%
Total	653	552	581	624	629	0.8%

With a 14.6% increase, the sales figures for the AAP (America, Asia and Pacific) Division grew more than in any other division. In addition, the EBITDA grew proportionally more than sales, due to the leveraging of operations. Specifically, it rose from 10.4 million Euros in 2011 to 12.8 million Euros in 2012, which is a 23.5% increase.

To summarise, it should be highlighted that lost ground in the EBITDA by the SWE Division was offset by the emerging markets in both the NEEMEA and AAP divisions: together the two divisions brought in almost half as much as the earnings made by the SWE Division.

Performance of the financial structure

Fluidra's net equity totalled 339.7 million Euros as at 31 December 2012. This amount corresponds to 45% of the Group's total assets, thus making its leverage ratio 2.2. This falls below that reported at the 2011 closing (2.4). It has thus managed to stick to the Group's policy of keeping the leverage ratio between 2 and 2.5.

Insofar as the Group's consolidated balance sheet is concerned, the net working capital increased by 9.3 million Euros (4.6%), which means that there was a greater percentage over sales, as reflected by the figure of 32.4% in 2011 compared to 33.7% in 2012. The reasons for this upward trend were a higher balance of accounts receivable (7.2 million Euros) due to the growth in sales in the last quarter, plus the improved average collection time last year.

The net financial debt increased by 4.1 million Euros as it absorbed both the investment in net working capital (9.3 million Euros) and the payments made for the acquisition of Aqua (9.9 million Euros). This level of net financial debt is 2.5 times the EBITDA, slightly below that in the previous year (2.52), which is in line with the Group's target.

In 2012, the total financial expenses incurred totalled 19.1 million Euros, which translates as a 21.9% increase on the previous year. This was due to the rise in the average cost of debt and the additional costs incurred from taking out a new syndicated loan.

Fluidra operates in the international environment and, therefore, is exposed to exchange rate risks for currency operations, especially in relation to the American dollar, the pound sterling and the Australian dollar and the Israeli shekel. As at 31 December 2012, the contingent consideration for Aqua expressed in USD was also subject to exposure to the risk of foreign exchange rates. The Group focuses its risk management on the uncertainty of the financial markets (exchange and interest rates), and tries to minimise the potential adverse effects on the Group's profitability.

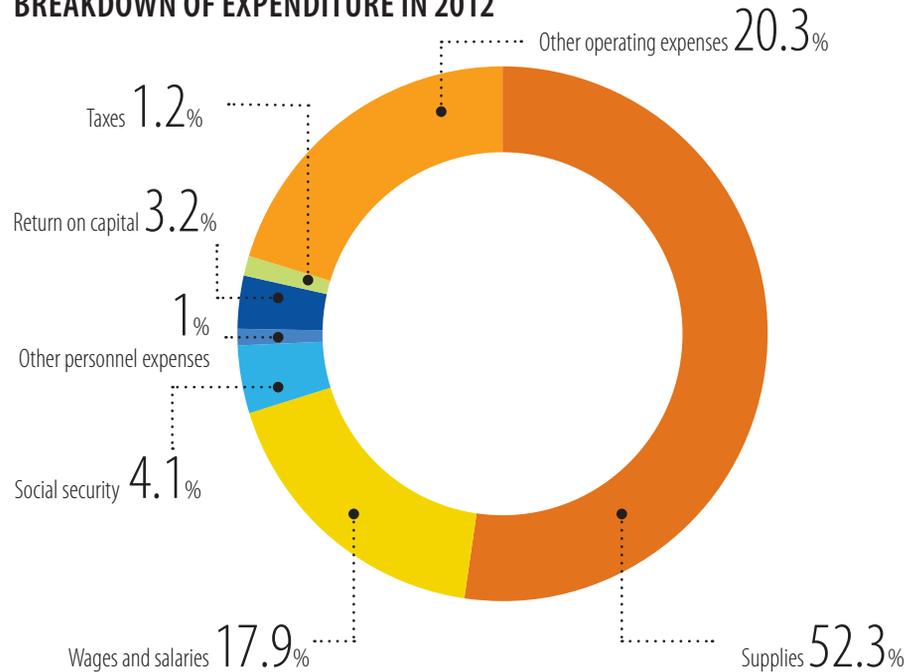
The risk management policy of interest rates is based on covering the risk in dollars through natural hedging (offsetting of receipts and payments) by covering any fluctuations with forward rates. In the case of the pound sterling, the Australian dollar and the shekel, transactions and balances are covered by forward rate and/or option rate arrangements.

The Group manages interest rate risk in its cash flow through hedged variable-to-fixed interest rate swaps.

Fluidra does not have significant concentrations of credit risk and implements prudent liquidity risk management practices. It does so by centralising the management of the flexibility required in financing to address the business requirements in the different markets in which it operates.

The AAP Division
– America, Asia and
Pacific – grew more than
any other in the Group
with an increase in sales
of 14.6%

BREAKDOWN OF EXPENDITURE IN 2012



The figures for sponsorship and patronage are included in other operating expenses. The breakdown of this item on the books is currently not available. [EC1].

Investments [EC8]

Investments amounting to 22.9 million Euros were made, of which it is worth highlighting the ongoing spending on R&D (5.7 million Euros compared with 3.7 million Euros in the previous year). The aim behind this spending is to improve the company's products in terms of the savings they can make in energy, water and materials to lessen their environmental impact and the costs borne by end users. Thus, the development of the new range of automatic pool cleaners, the 7.5 million Euro investment in the Group's production plants and the 6.1 million Euros spent on its distribution network take on special significance.

The Group's consolidated
balance sheet reflects
Fluidra's sound position

With respect to the environment, the company remained committed to optimising the natural resources that are used in manufacturing processes and to realising the potential of alternative energies. [EN30]

Operating Investments

	2008	2009	2010	2011	2012
Land and buildings	1,084	605	826	813	282
Plants and machinery	11,367	3,377	4,168	3,928	2,758
Other fixtures, tools and furniture	7,596	4,639	4,625	6,445	6,067
Other fixed assets and work in progress	3,807	2,306	4,067	3,717	4,450
Total (in thousand Euros)	23,854	10,927	13,686	14,903	13,558

Assets allocated to environmental improvements

	2008	2009	2010	2011	2012
Waste treatment:	5,388	5,742	5,176	3,378	3,456
Energy savings:	14	13	663	134	584
Reducing emissions:	571	571	571	571	554
Reducing pollution:	523	528	488	488	548
Others:	6	-	-	-	-
Total in Euros:	6,502	6,854	6,898	4,571	5,142

The Group's management committees – Budget Committee, Business Monitoring Committee and Executive Committee – and the respective division management committees are responsible for managing, overseeing and monitoring the company's economic performance.

Taxes and subsidies

The amounts paid in tax, as shown in the table below, are spread across the various geographic regions in which Fluidra operates, although most are paid in Spain.

Table showing taxes

	2008	2009	2010	2011	2012
PUBLIC SECTOR					
Corporation tax:	8.6	(0.3)	5.8	4.4	4.2
Other taxes:	3.5	3.0	3.0	3.1	3.3

Table showing shareholders' equity, net debt and cash flow (in million Euros)

	2008	2009	2010	2011	2012
Net equity	306.7	301.4	316.4	326.4	339.7
Net financial debt	225.5	169.5	147.6	176.6	180.6
Free cash flow	-7.8	63.1	28.3	21.0	29.2

A number of subsidies were received from several organisations in the 2012 business year, a breakdown of which is given below [\[EC4\]](#).

COMPANY	SUBSIDY	COMPANY	SUBSIDY	COMPANY	SUBSIDY
ASTRAMATIC	1,560	ACCENT	1,287	GRE	2,047
CEPEX	100,312	CERT IBERICA	4,107	INQUIDE	2,679
PRELAST	3,059	F. ESPAÑA	29,562	POLTANK	11,401
SACOPA	751,830	F. COMMERCIAL	4,238	POOL SUPPLIER	300
TOGAMA	37,370	F. INDUSTRY	3,361	TRACE	8,103
METALAST	272,692	FLUIDRA	14,910	UNISTRAL	744
TOTAL					1,249,562

Income statement (in thousands of Euros) [EC1]

	31/12/2012	31/12/2011
Operating income		
Sale of goods and finished products	628,758	624,040
Income from services	11,922	11,024
Work carried out by the group for non-current assets	6,855	4,666
Other income	-	745
Total operating income	647,535	640,475
Operating expenses		
Variations in the inventory of finished products and products in process and procurement of raw materials	(315,163)	(311,644)
Personnel expenditure	(142,686)	(137,163)
Amortisation expenses and impairment losses	(46,255)	(33,333)
Other operating expenses	(122,007)	(123,545)
Total operating expenses	(626,111)	(605,685)
Operating profit	21,424	34,790
Financial expenses/income		
Financial income	18,191	5,238
Financial expenses	(19,080)	(15,653)
Exchange rate differences	183	(2,768)
Net financial profit	(706)	(13,183)
Share in the year's profits by the entities recorded in the accounts using the equity method	88	31
Profit before tax	20,806	21,638
Expenditure on capital gains tax	(4,232)	(4,399)
Profit after tax	16,574	17,239
Profit attributed to minority interests	2,068	2,162
Profit attributed to holders of net equity in the parent company	14,506	15,077
EBITDA	72,215	70,172
Diluted and basic earnings per share (in Euros)	0.13133	0.13739

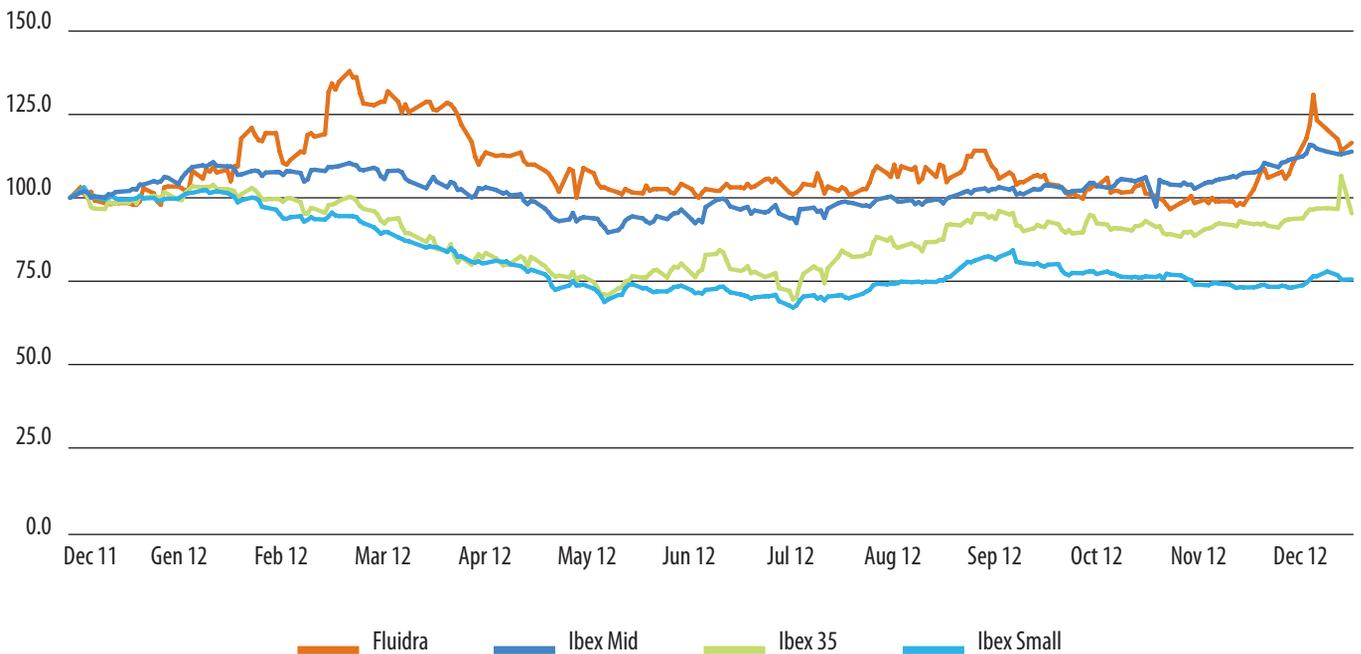
2.3. Share price performance [2.9]

The company was first listed on the Spanish stock exchange in the last quarter of 2007. Over the past five years, the share price has been subject to the high volatility of international markets and the flight of foreign investors from the Spanish market. The Ibex-35 share index of the Spanish stock exchange has fallen from 15,782.50 points since its closing in 2007 to 8,167.50 points at the 2012 closing, namely, a fall of 48.25%.

Given this trading floor environment, the company has suffered from the flight of capital and the lack of confidence in listed Spanish securities. However, the company's understanding of the business world in addition to its proven experience over more than 40 years has enabled it to spread the amount of information available about it to the financial markets. Thus, the group has managed to regain the trust of investors in its business and management model. As a result, both the number of share certificates taken out and Fluidra's share price started to reflect the efforts made by the Group to be transparent and spread information about its business.

The number of share certificates taken out and Fluidra's share price started to reflect the efforts made by the Group to be transparent and spread information about its business

2012 PERFORMANCE (Base 100 = 31 dec 2011)



Shares

	December 2009	December 2010	December 2011	December 2012
Capitalisation (millions of €)	394.2	260.2	215.1	250.6
Shares (millions)	112.6	112.6	112.6	112.6

Hedge ratios

	December 2009	December 2010	December 2011	December 2012
Net financial debt	169.5	147.6	176.6	180.6
Net financial debt/EBITDA	3.4	2.3	2.5	2.5
EBITDA/Financial profit	4.8	13.2	5.3	5.9*

*Normalised financial profit: -€12.2 M

Ratios

	December 2009	December 2010	December 2011	December 2012
EV/Book value	1.31	0.8	1.2	1.3
EV/Net earnings	49.9	14.3	26.0	29.7
EV/Sales	1.0	0.7	0.6	0.7
EV/EBITDA	11.3	6.3	5.5	6.0
EV/EBIT	30.5	12.9	10.6	16.6

Share details

	December 2009	December 2010	December 2011	December 2012
Closing price (€)	3.5	2.31	1.91	2.225
Shareholders' equity (€)	2.68	2.81	2.90	3.00
Earnings per share	0.07	0.14	0.13	0.13
Dividend/share (€)	0.036	0.071	0.071	0.07

1) EV= enterprise value (capitalisation + net financial debt)

A blue-tinted photograph of a water treatment facility. In the foreground, there is a large body of water with ripples. In the background, a concrete wall with several rectangular openings is visible, with water cascading over each opening, creating a series of small waterfalls. The overall scene is clean and industrial.

03

2012 INTEGRATED REPORT

**ADVANCES IN
RESPONSIBLE
MANAGEMENT**

The company understands sustainability as its contribution to improving the economic and social conditions of the communities in which it operates through the development of its business and improved competitiveness

Fluidra understands sustainability as its contribution to improving the economic and social conditions of the communities in which it operates through the development of its business and improved competitiveness. The idea of creating shared values forms an integral part of the company's strategy and is conveyed throughout the value chain.

The company's approach to shared values – traditionally managed through the Corporate Social Responsibility policy – is to make them an integral part of its business strategy, thus ensuring that the social dimension and the value proposition become uniquely and inextricably linked.

3.1 Mission and values [4.8, 4.14, 4.15, 4.16]

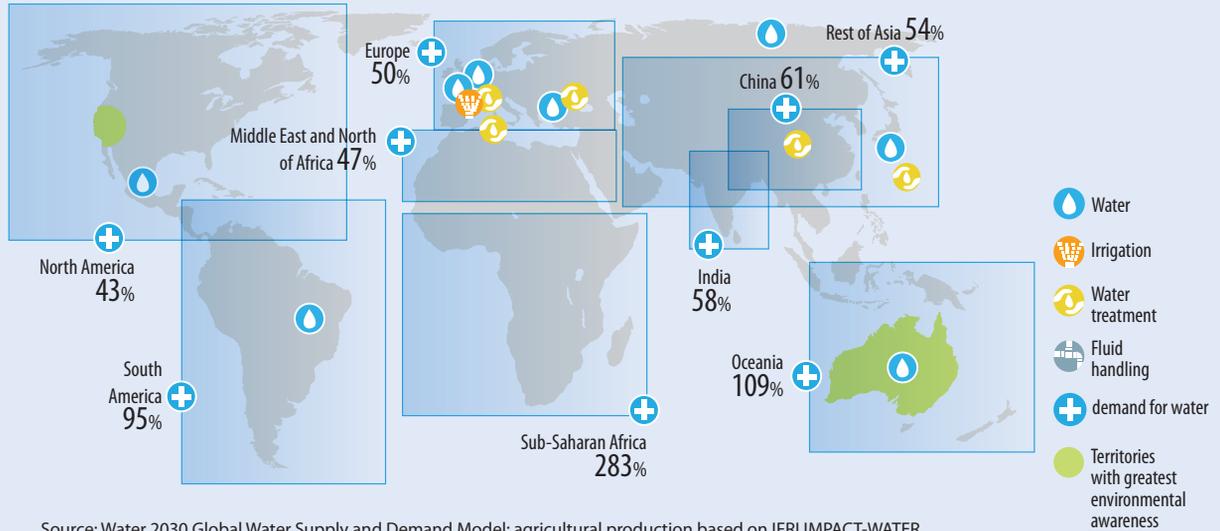
Since the publication of its first sustainability report for the 2006 business year, the company has made ceaseless efforts to improve the way it implements sustainability and social responsibility. Its mission and values reflect the efforts made, as well as its commitments to its stakeholders.

Mission

Fluidra's mission is to drive the community's progress through the sustainable use of water in its leisure, domestic and industrial applications.

Fluidra would like to gradually move forward with its contribution to economic, environmental and social development within the context of sustainable development by reinforcing and renewing its commitments to its interlocutors and stakeholders in the areas in which it operates.

- **CUSTOMERS:** Our entire organisation is oriented towards the customer in order to offer security, trust and innovative solutions.
- **SHAREHOLDERS:** We wish to increase the value of the company based on our commitment to good governance.
- **EMPLOYEES:** We offer people an environment full of opportunities to develop their human and professional potential.
- **SUPPLIERS:** We aim to progress together in building long-lasting relationships based on respect and mutual benefit.
- **COMMUNITY:** We are committed to contributing, in a solidary manner, to the development of our environment.
- **ENVIRONMENT:** Our commitment to future generations is to encourage the responsible use of water and apply rigorous sustainability criteria.



THE SUSTAINABLE USE OF WATER: FLUIDRA'S MARKET [1.2]

Fluidra is a global company devoted to developing applications for the sustainable use of water. Water is its main line of business; however, it is very aware of the impact this has on society and the environment.

Fluidra's expertise in managing water in diverse environments, its development of outstanding solutions based on the premise of innovation and the cohesion of its business thanks to the company's values are the factors that set it apart and the main driving force behind its growth.

Water management is now a strategic sector on a global scale. This sector is about the here and now, but above all about the future. This is clear to see in the demographic, economic, social, political and climatic indicators that the company handles in its day-to-day business. According to the report *Charting our Water Future*, if the current scenario of economic growth persists and no improvements are made to efficiency, by 2030 the global demand for water will rise from 4,500 million m³ to 6,900 million m³. Based on this analysis of climate change and water demand, the appropriate steps are being taken and are included in the Strategic Plan. Moreover, Fluidra is a gold member of the Business and Climate Foundation that works with the aim of helping businesses to adapt to and mitigate the consequences of climate change. [EC2]

These forecasts confirm that the sustainable management of water, a scarce and limited resource, will be one of the main future challenges facing humanity, with each country and sector (agricultural, industrial, domestic, etc.) requiring a unique set of responses.

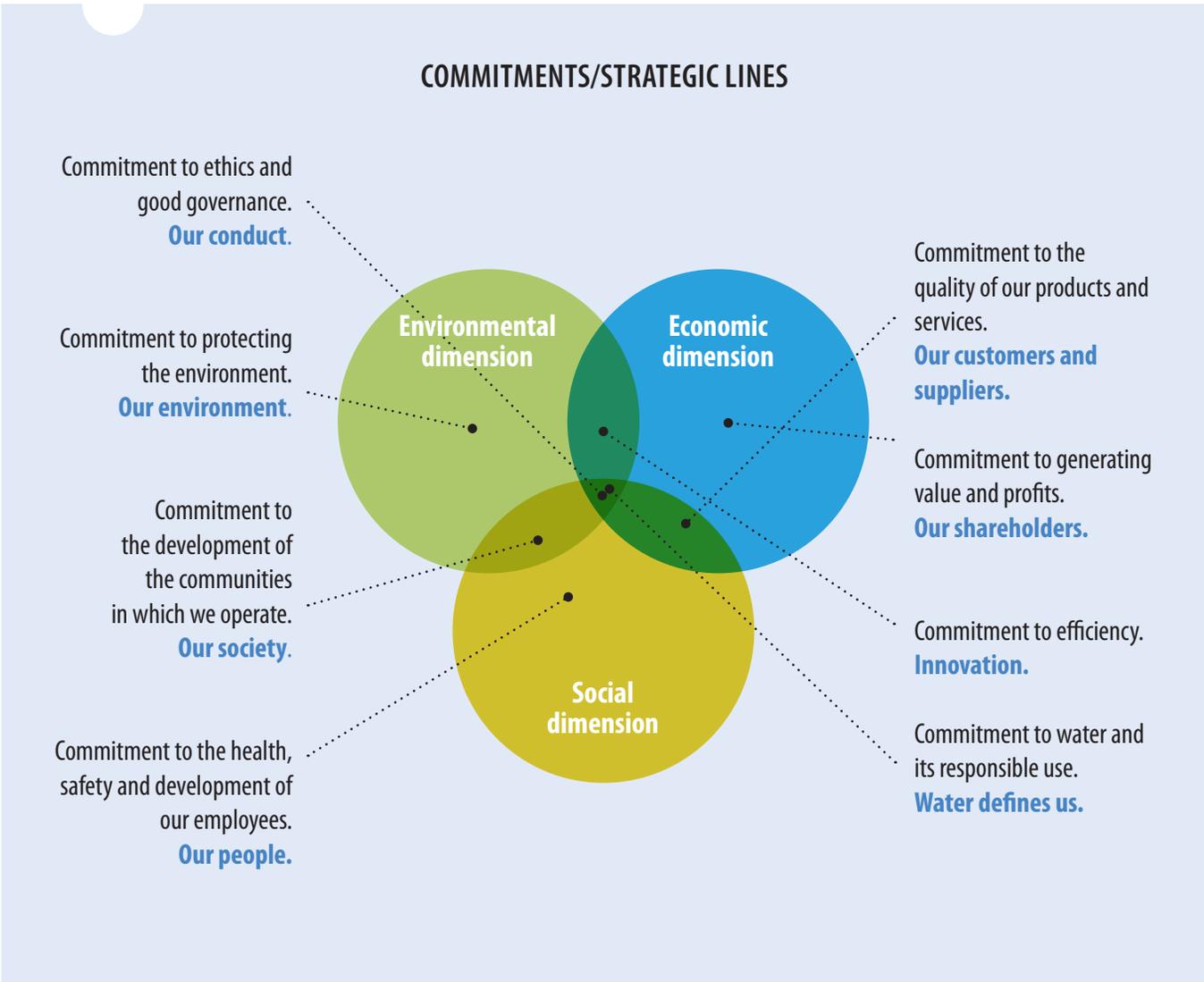
Innovation in water technology will play a major role in bridging the gap between offer and demand that will arise in the future. Thus, water is becoming a fundamental issue as regards investments over the coming decades, both in the public and private sectors.

The business of water management requires an exhaustive knowledge of how society is evolving and what it needs to do to adapt solutions to each situation. Fluidra, whose products are increasingly more eco-efficient in all of its business units, is able to respond to these requirements.

Values

In order to achieve loyalties described in our Mission, we rely on the fulfilment of our Corporate Values:

- **ADAPTATION:** We have the ability to adapt to changes with ease, efficiency and rigour.
- **INNOVATION:** With enthusiasm and creativity, we drive the innovation culture in order to face new challenges.
- **ACCESSIBILITY:** We are interested in the concerns of those who trust in us.
- **TRANSPARENCY:** We are committed to honesty, coherence and respect in our everyday practices.



3.2 Corporate social responsibility policy

Fluidra's corporate social responsibility policy is implicit in the principles set out in its mission, vision and values, and is explicitly implemented through the commitments and lines of action defined in the first Social Responsibility Strategic Plan.

Respecting people and the environment is one of the company's daily commitments. Therefore, the company has been signed up to the United Nations' Global Compact since 2007, whose principles it has adopted as its own. It likewise respects the United Nations' Declaration of Human Rights at all times.

[HR3, HR.e, HR.a, HR.b, HR.c]

Code of Ethics

Fluidra has had a code of ethics since 2008. It has been translated into eight languages to facilitate its distribution, dissemination and understanding in all of the Group's worksites across the world. In addition to the Code of Ethics, the Committee for the Promotion of the Code of Ethics was set up. It is made up of the heads of the Legal, Audits and Human resources departments. The Ethical Channel was also created to allow staff to make suggestions or report any possible breaches of the Code. [HR4]

In 2011, the Code of Ethics was updated to adapt it to Spain's new criminal code and in 2012 an online training course was designed that will be launched on a corporate level during 2013. [HR.g, SO3]

The company furthered its commitment to responsible management by publishing the Suppliers' Code of Ethics in 2011, which includes clauses from the Declaration of Human Rights in order to establish social responsibility criteria in the supply chain. These criteria are now used to approve suppliers through control mechanisms in the transactions conducted with them. However, mechanisms for directly controlling suppliers are yet to be put in place. The initial phase to distribute the Code to suppliers and give them training about it began in 2012, with the aim of fully deploying it in 2013 for all new contractors. [HR.f]

3.3 CSR Strategic Plan [4.12, 4.17]

Fluidra manages Corporate Social Responsibility (CSR) through two lines of action. Firstly, on an operational level through the CSR department, which is answerable to Human Resources. Secondly, on a more strategic level, through the CSR Committee, on which representatives from the most relevant functional areas sit.

The CSR department is responsible for coordinating and implementing the plans approved by the Committee. It also serves as a direct line of dialogue with the different technical teams in the Group's companies.

The main goals of the CSR Committee are to make CSR an integral part of the business strategy and all of the areas of the organisation so that everyone concerned is directly involved in the process, promote relations and dialogue with all stakeholders, and create a culture of



In 2012, the company designed an online training course on the Code of Ethics that will be taken by all employees worldwide during 2013



CSR Committee (from left to right).
Bottom row: Joan Carles Cifre, Director of HR/CSR, Trini Lado HR/CSR consultant.

Top row: Xavier Tintoré, General Manager for Corporate and Financial Affairs, Bea Strebl, Director of Communications, Rosa M^a Rafecas, Head of Environmental Affairs, Cristina del Castillo, Director of Investors and Shareholders Relations, David Tapias, Director of R&D.

sustainability in the company by changing people's behaviour and attitudes. This body has direct links with the Executive Committee and the Board of Directors through the chair of the Committee, Fluidra's General Manager for Corporate and Financial Affairs. [\[HR.d\]](#)

The Committee is made up of seven permanent members and temporary members are occasionally brought in depending on the projects underway. The most commonly used temporary members include the directors of Purchases, IT, Marketing Finance and Audits.

Advances in commitments made

The company first went down the path of social responsibility following the publication of its initial Strategic Plan in 2006 that defined the company's lines of work. This plan forms the basis of Fluidra's Social Responsibility policy.

In 2011, the 2011–2014 CSR Strategic Plan was drawn up whose main aim was to follow the path towards the successful integration of corporate sustainability in the company's strategy, processes and management. The idea behind the Plan is to gradually transfer goals, actions and tools for its successful implementation in all of its business dealings and in all of the companies in the Group wherever they operate in the world.

The actions defined in the strategic plan are in line with Fluidra's eight strategic lines in its CSR policy. In addition to the commitment to ethics and good governance through codes of con-

LINES OF ACTION AND TARGETS OF THE CSR STRATEGIC PLAN

The 2011–2014 CSR Strategic Plan has been designed based on four lines of action. Aware that there is still a long way to go, Fluidra is now working towards hitting several of the targets drawn from the lines of action defined in the Plan.

Line of action	Action	Target	Status
CORPORATE POLICIES	Strengthening the corporate policy on Human Resources	• Implementation of the system for assessing performance by business areas and groups	• There was an 11% increase in the number of one-to-one assessments conducted in 2012 in comparison with 2011. The target in 2013 is to increase by 28%
		• Study, decision and implementation of the remunerations policy by level and country	• Was implemented in Spain in 2012 and its international implementation is under review
		• Implementation of equality and diversity policies and plans in Spain	• Following its implementation in 2012 in the most relevant companies, it has been planned to extend it to other companies as part of the Corporate Policy
		• Consolidation of the FluidrAcademy project with new courses and the involvement of senior managers as trainers. Conveying the corporate culture and values	• In 2012, new courses in office automation, languages, pool management and accounting have been added. In 2013, the target is to add more online courses, such as finance for non-financiers, the Code of Ethics, the welcome package and other languages
	Procurement policy and supplier relations	• Development and distribution of the Suppliers' Code of Ethics, and training on its use	• Developed and implemented for the company's top 10 suppliers in 2012. From 2013, all new contractors will have to sign up for it
	Extending the Corporate Environmental Policy	• Introduction of a standard environmental policy based on existing ones	• Policy drawn up and pending approval
	Policy on relations with Stakeholders	• Defining a proactive policy for each stakeholder and implementation of actions	• Under review
CORPORATE CULTURE	Strengthening the alignment of values with conduct	• Diagnosis of the alignment of professional values	• Under review
		• Plan of action for conveying culture and values	• Under review
	Involvement of employees with society and the environment	• Awareness-raising, corporate voluntary work and improving internal communications tools	• Some voluntary work schemes have been put in place for employees in 2012 and others are under review for 2013
ORGANISATION	Indicators for measuring and monitoring CR and sustainability systems	• Strengthening the map of indicators for measuring and monitoring CSR on a corporate level	• Top level management indicators are being designed to be implemented in the corporate management systems
		• Extending the scope of the CSR report	• It has been planned to extend the scope of the report on an international level to companies in the US, France and Australia in 2013
	Organisation and management of CR and sustainability	• Strengthening the organisation of CSR (teams and functions)	• Extending the network of partners is under review
COMMUNICATIONS	Communications plan for end customers	• Creation and development of online training courses for end customers	• An online pool configuration simulator has been developed for end users
		• Drawing up of a plan to ensure greater inclusion in sustainability indices and CSR forums	• Inclusion in reference indices under review



Fluidra is following the path towards the successful integration of corporate sustainability in its strategy, processes and management

duct, both internal and external, from a business point of view efforts are being concentrated on the ongoing improvement of products and services. To do so, the company is committed to innovation that also focuses on the development of more sustainable designs, which help customers to optimise their consumption of water and energy, as well as making savings on running costs.

Along the same lines, every effort is being made to ensure that the way the company manages environmental issues enables it to reach and improve on targets to reduce emissions, make efficient use of energy, invest in greener technologies, use raw materials in a more sustainable and responsible way, and recover waste.

In addition, Fluidra engages with society by running charity campaigns and encouraging staff to take part in voluntary work schemes as a way of adding value to society.



04

INTEGRATED REPORT 2012

**DIALOGUE
WITH
STAKEHOLDERS**

[3.5, 4.17] In order to correctly interpret the business environment and its strategy for success, it is essential that Fluidra establishes a transparent and fluid dialogue with its stakeholders. This exchange of knowledge fosters continual improvement, and strengthens the company's role in the participation in and development of the different communities in which it is present. It therefore cultivates a permanent dialogue and fluid communication with the different groups that make up the stakeholders through diverse communication channels and methods.

These stakeholders are defined in the company's mission and values, although proposals and reflections are always made to include the expectations of new groups such as public administrations and end users. In this sense, in 2012 the company worked to include an online pool configuration simulator on the Astral Pool website. This tool can be used to make energy savings calculations by selecting different parameters such as country, climate, swimming pool measurements, etc.

Stakeholders	Communications channels
<p>Shareholders Increased value of the company thanks to its commitment to good governance</p>	<ul style="list-style-type: none"> • Corporate website: shareholders / investors section • Shareholders' Office • Annual General Meeting • Shareholders' Day • National and international investors' forums
<p>People employed Offering an environment of opportunities to develop people's human and professional development</p>	<ul style="list-style-type: none"> • Employee' representatives • Corporate intranet • Group magazines • Suggestions boxes • Notice boards • Performance assessments • Sporting and leisure activities • Charity work • Ethical Channel • Coffee mornings with the CEO • Monitoring and exit interviews
<p>Customers Customer orientation throughout the entire organisation to offer safety, reliability and innovative solutions</p>	<ul style="list-style-type: none"> • Customer services • Post-sale services • Customer satisfaction surveys • Attendance at technical workshops / training sessions • Advertising the activities of and for customers
<p>Suppliers Progressing together building strong relations based on respect and mutual benefit</p>	<ul style="list-style-type: none"> • Training seminars and talks • Supplier satisfaction surveys • Supplier Selection Policy and assessments • Suppliers' Code of Ethics*
<p>The environment Commitment to future generations to drive the responsible use of water and apply rigorous sustainability criteria</p>	<ul style="list-style-type: none"> • Participation in awareness campaigns • Collaboration with environmental organisations
<p>Society Solid commitment to contribute to the development of the social environment</p>	<ul style="list-style-type: none"> • Partnerships and contributions • Charity events and contributions • Corporate website • Telephone and email / • Publications • Participation in trade shows, events, conferences and talks

* Suppliers' Code of ethics: http://www.fluidra.com/sites/resources/docs/es/Cxdigo_xtico_para_Proveedores_Grupo_Fluidra.pdf

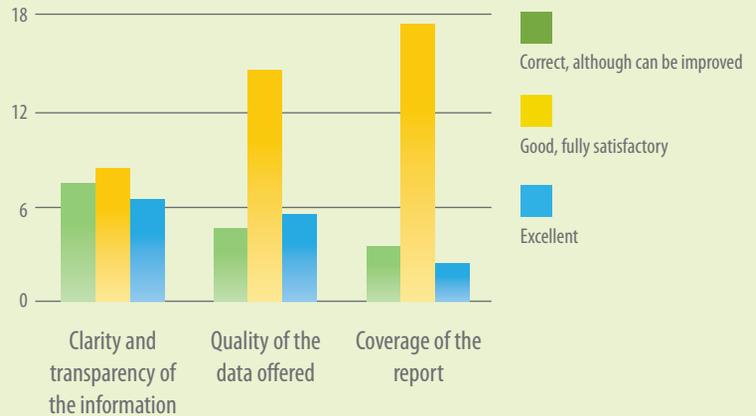
SATISFACTION SURVEY

[4.16] Fluidra promotes and disseminates the 2010 Sustainability Report to all stakeholder groups (shareholders, investors, customers, suppliers, employees and society in general) and offers them the opportunity to express their opinions and make suggestions for improvement through an online survey.

The results of the survey, although they have a low participation percentage, have been very satisfactory, with participation from employees, suppliers, shareholders and investors. The opinion about the new report format has been very positive: 80% of respondents encourage the company to continue along the same line. In terms of the quality of information offered, more than 82% respond positively and in terms of coverage of the report, 86% were “very satisfied”. In this sense, 73% affirm that the company is well-positioned in relation to other publicly listed companies in terms of quality of public information. A notable improvement was achieved in the two latter values, coverage and quality of the information, in relation to the results from the previous survey.

Another aspect indicated as adequate but with room for improvement is the quality and transparency of the information provided in the report. Heeding this demand, the company is currently working to expand indicators and report greater detail of this aspect in the appendices.

Content capture



Together with the quantitative data, the assessment survey also enables quantitative contributions to be collected which have come to be incorporated in this report. The main contributions include:

Suggestion	Current position
Add a table summarising the sustainability indicators and their evolution over time	<ul style="list-style-type: none"> Added to the 2011 Integrated Report
Further information about people and technological innovation	<ul style="list-style-type: none"> Objective in progress with a view to integration in future editions of the report
Dialogue activities with stakeholders, and results	<ul style="list-style-type: none"> Several actions incorporated along this line with work continuing on them
Provide broader international coverage	<ul style="list-style-type: none"> Priority objective with the aim to publish a more international report in 2013-2014
The evolution of fixed objectives in CSR	<ul style="list-style-type: none"> This document now incorporates a summary of the actions carried out and the development of the CSR Strategic Plan
Interactive format	<ul style="list-style-type: none"> The 2011 report had already advanced in this sense with the publishing of an e-book, which will be more flexible and dynamic this year

4.1 Creating value for shareholders and investors

True to its professional track record and commitment to good governance, the company has maintained corporate values of transparency and ethics in relation to its shareholders and investors since the beginning of its public listing in the final quarter of 2007.

4.1.1 Relevant actions in 2012

Fourth edition of the Shareholders' Day [4.4]

With the aim of providing value in relation to individual shareholders with Fluidra, the fourth consecutive edition of the Fluidra Shareholders' Day was held during 2012 in the company's corporate headquarters. Throughout the conference, shareholders interacted with the Chief Executive Officer, the Corporate Finance General Manager, the Investor Relations Manager and other shareholders, information about the evolution of business, the company strategy and the evolution of the markets, and were able to express their own concerns and impressions by means of a cordial, fluid and enthusiastic dialogue.

The company has been one of the pioneers in organising this type of event within the Spanish small caps universe, within its aim to approximate the Group's reality and its business to small investors through outreach activities among shareholders and senior management.

Ordinary general shareholders' meeting [4.4]

As usual, the Fluidra Ordinary General Shareholders' Meeting was held on 6 June 2012 in the Chamber of Commerce facilities in Sabadell. The Meeting approved all points on the agenda, including the distribution of a total dividend of 8 million Euros, maintaining the distribution level reported in 2011, and representing a payout of 53%.

Investor relations

The company's investor relations over 2012 can be summarised in the following activities:

- 1- Spanish and international financial analysts who cover the value of Fluidra have maintained it at 11, despite the merger and consolidation processes that the investment bank is carrying out at all levels.
- 2- Individual meetings, presentations to institutional investors (investment and pension funds, insurance companies and credit institutions) and participation in seminars and conferences organised by investment banks increased by 35% with respect to 2011, despite strong interest rate contraction on Spanish securities in the last quarter of 2012. Conferences and seminars were held in the main international financial centres (London, Frankfurt, Paris and Madrid).
- 3- The company participated once again in the Med Cap Forum organised in Madrid by Spanish Stock Exchanges and Markets (in Spanish, BME). This meeting, of renowned Spanish and international prestige, enables Spanish small and medium capitalisation publicly listed companies to connect with Spanish and international fund managers and financial analysts, thus expanding their Sell Side and Buy Side coverage bases.

Fluidra has been one of the pioneers in organising the Shareholders' Day among the Spanish small caps



Fourth edition of the Shareholders' Day



Ordinary general shareholders' meeting

4.1.2 Shareholder structure

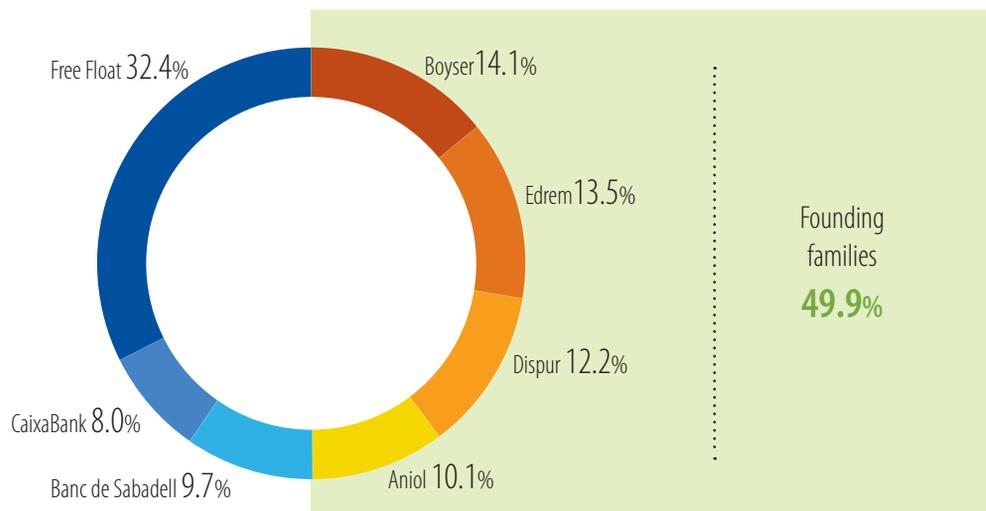
The company's shareholder structure has not undergone any changes insofar as the two main variables are concerned, namely, the shareholding controlled by the Board of Directors and the proportion of free float stock.

- The Board of Directors holds a total of 67.6% of the company's total capital.
- The remaining 32.4% is free float stock. Both the cash and face value of stock traded have gradually risen over the past three years, as shown in the table below, despite the difficult macro-economic climate that is affecting the whole of Europe. This demonstrates the interest that both national and international institutional investors have in Fluidra shares.

In 2012, 32.4% was free float capital, which shows the importance of Fluidra's value

	2012	2011	2010	2009
Capitalisation (thousands of Euros)	250,600	215,122	260.173	394,202
No. Shares (x 1,000)	112,629	112,629	112,629	112,629
Last price in period (Euros)	2,235	1.91	2.31	3.5
Max. price in period (Euros)	2.64	3.13	3.5	3.75
Min. price in period (Euros)	1.82	1.76	1.95	2.05
Volume (thousands of shares)	17,438	21,414	15,492	14,900

As a consequence of the banking reordering process in Spain in 2012, Caja Navarra's (Banca Cívica) 8% share of Fluidra was integrated in CaixaBank Group.



4.1.3 Corporate governance [4.1]

Fluidra's corporate governance is subject to deeply rooted factors in the company such as honesty and transparency. It bases its actions on the rules set out in the Regulations of the Board of Directors Regulations 1, the Internal Code of Conduct in the Markets², the Shareholders'

Regulations³, the Code of Ethics⁴ and the Articles of Association⁵. Fluidra also publishes its Corporate Governance Report⁶ on an annual basis, in which the most detailed information related to good governance and the moral practices of the organisation can be found.

Fluidra is a public limited company with the following share capital as at 31 December: [2.1, 2.6]

Share capital	Number of Shares	Number of voting rights
112,629,070.00	112,629,070.00	112,629,070.00

The Board of Directors has an internal self-assessment system that provides an overview of the work carried out by the board members

The Board of Directors and its committees are the main bodies responsible for corporate governance.

Board of Directors [4.2, 4.3, LA13]

Fluidra’s Board of Directors is made up of ten members who are appointed by the AGM, thereby complying with the guidelines set out by the company’s Articles of Association, which recommend that the Board be made up of a minimum of five members but that it does not exceed a maximum of 15. All the members are men and 60% of them are over 45 years of age.

During 2012, the Board of Directors met six times.



Board of Directors

Name	Post	Date of appointment	Nature	Executive or Delegate Committee	Audit Committee	Appointments and Remunerations Committee
Mr Juan Planes Vila	Chairman	05/09/2007	Dominical Director			
Mr Eloi Planes Corts	CEO and Member	08/06/2011	Executive Director	(Chairman)		
ANIOL, S.L. (represented by Mr Bernat Garrigós Castro)	Vice-secretary	06/06/2012	Dominical Director	(Secretary)		(Secretary)
Mr Oscar Serra Duffo	Member	05/09/2007	Dominical Director			
Mr Bernardo Corbera Serra	Member	05/09/2007	Dominical Director			
Mr Carles Ventura Santamans ¹	Member	05/09/2007	Dominical Director		(Chairman)	
Mr Richard J. Cathcart	Member	05/09/2007	Independent Director			
Mr Kam Son Leong	Member	05/09/2007	Independent Director			(Chairman)
Mr Juan Ignacio Acha-Orbea Echeverría	Member	05/09/2007	Independent Director		(Secretary)	
Mr Eduardo López Milagro ²	Member	24/06/2009	Dominical Director			

1. On behalf of BanSabadell Inversió Desenvolupament, S.A.

2. On behalf of Grupo Corporativo Empresarial de la Caja de Ahorros and Monte de Piedad de Navarra, S.A., sole proprietorship.

The Board of Directors is mainly responsible for representing and managing the company and for carrying out all the duties described in the company's Articles of Association, with the exception of those that are expressly reserved for the AGM. In accordance with recommendation No. 8 of the Unified Code, in a plenary session the Board has reserved the right to approve the following policies and general strategies of the company:

- Investment and finance policy.
- The definition of the Group's corporate structure.
- Corporate governance policies.
- Policies on corporate social responsibility.
- The strategic or business plan, management goals and annual expenditure

- Remuneration and performance evaluation policy for senior management.
- Policies on risk management, the regular monitoring of internal information and control systems.
- Dividend and treasury stock policies and, in particular, their limits

The audit committee is responsible for ensuring compliance and dissemination of the Code of Ethics

Executive or Delegate Committee

The Executive or Delegate Committee is made up of the Executive Director, three dominical directors, and an independent director. The members of the delegate committee reflect the composition of the Board and the balance between executive, dominical and independent executives.

Audit Committee

The Audit Committee is made up of two dominical directors and an independent director. Its main functions and responsibilities are based on the monitoring and control of the internal audit systems and financial systems, as well as assuring compliance with regulations, legal requirements, the fulfilment of the Internal Code of Conduct and the rules of Good Governance of the Company in general.

The Audit Committee is also responsible for ensuring the fulfilment and dissemination of Fluidra's Code of Ethics, as well as for processing and responding to queries and/or complaints submitted by employees of Fluidra through the Ethical Channel. This is carried out by the Committee for the Promotion of the Code of Ethics, a body made up of the various managers of the Audit, Legal and Human Resources departments.

Appointments and Remuneration Committee

The Appointments and Remuneration Committee is made up of two independent directors and one dominical director. The main purpose and responsibilities of the Committee are to inform and propose to the Board of Directors the appointment of directors and senior managers, as well as to establish the appropriate remuneration criteria for these categories. [4.10]

For the 2012 period, the remuneration for the Board of Directors and its Executive team was linked to the company's economic and management performance. Social and environmental objectives are not explicitly specified.

In 2012, the Appointments and Remuneration Committee dissociated the Board of Directors remuneration from the organisation's performance by means of variable remuneration, due to international recommendations on good corporate governance. [4.5]

As proposed in the Appointments and Remuneration Commission, in June 2008 Fluidra established a system to assess possible conflicts of interest of Board members who sit on other boards of directors, as covered in article 29 of the Board of Directors Regulation and in the 2012 Corporate Governance Report, page 40. [4.6]

The Appointments and Remuneration Committee drafts the annual Remunerations Report, in which the Board of Directors remuneration, as well as the future Remuneration Policy, are presented transparently and in detail.

The company works on an action plan by areas in order to guarantee that the controls implemented are sufficient to cover the potential risk in all criminal acts

4.1.4 Risk Management

[1.2, 4.9, 4.11] Within the framework of EU and international laws, there is a growing trend for companies to be held criminally liable for offences committed by them, on their behalf and/or for their benefit. Specifically, Organic Law 5/2010, of 22 June, which came into force on 23 December 2010, passed an amendment to the Criminal Code of 1995 whereby sentences were made harsher and legal entities could be held criminally liable for their actions for the first time in Spain.

Since 2010, Fluidra has therefore paid special attention to risk management through a number of measures designed to detect offences and prevent its employees and external collaborators from committing them.

In 2011 for example, a major project was undertaken to diagnose Fluidra's exposure to the risk of offences being committed within the company. The diagnosis concluded with a series of recommendations divided by areas whose objective, once implemented, is to ensure that Fluidra has the control measures in place to prevent the potential offences identified from being committed.

The company also works on an action plan that covers its various business areas to ensure that the controls implemented are sufficiently robust to deal with the potential risk of all possible offences. The measures covered in this action plan include modifying Fluidra's Code of Ethics, attended training for groups at potential risk, online training, reviewing and implementing current internal protocols, creating new internal procedures, and strict controls on the effectiveness of these measures.

Every year, the Board of Directors supervises and updates the Group's risks based on the following categorisation: Asset management, regulatory compliance, general management, people, the environment, change management, finance, products and services, and technology.

Since 2010, it also has a Financial Information Internal Control Systems regulation (in Spanish, SCIIF), developed by the CNMV, which covers a series of the obligations about risk management controls in terms of financial information and is included in the Annual Corporate Governance Report⁶.

^{1,2,3,4,5,6} All these documents can be downloaded from the Shareholders and Investors section on the Fluidra website:

<http://www.fluidra.com/sites/en/shareholdersandinvestors2.html>

<http://www.fluidra.com/sites/en/annualreport.html>

4.2 Fluidra's people: Growing together

[LA.a, LA.b, LA.c] Fluidra recognises that its employees' talent is an essential part of the success of its business and its contribution to sustainable development in society. In light of the geographic diversity of the companies that make up the Group and the cultural differences between employees, Fluidra develops corporate people management policies that enable a single culture and the same values to be shared, which are in line with the company's mission and strategy.

The company's added value is largely associated to the performance of creative and committed people who contribute to successfully driving the company's corporate vision. It is therefore essential to create the environment and provide adequate resources to enable people to continue in these efforts. Fluidra believes in the development and application of human resources policies that foster employees' professional and personal progress, as these are the people who are largely responsible for the organisation's success and growth. [LA.d]

4.2.1 Staff profile and evolution

At the end of 2012, the average seniority of Fluidra staff was approximately 42 years. The largest age bracket is between 39 and 45 years, representing 59% of the total. The average employment duration of the staff is nine years, which attests to people's loyalty to the company and its corporate vision.

Throughout 2012, a total of 325 people left the company, of whom 14.5% were women and 13.5% were over the age of 45 years. The complex economic context has led to the reorganisation of some companies in the commercial and industrial divisions, which have had to adapt to new strategic and business requirements, prioritising the Group's internationalisation and diversification. In 2012, the staff turnover rate was 4.83%, which is slightly higher than the previous period. [LA2]

Fluidra is committed to offering satisfactory working conditions for the integral development of its people, in an environment of mutual respect and compliance of employment regulations. It is important to highlight the efforts made in maintaining the company's high percentage of permanent personnel, despite the complicated economic-employment context at a global level and, in particular, in the economies in southern Europe. In 2012, permanent personnel made up 96% of the total aggregated staff. In this sense, the Group prioritises contracting local personnel in geographical areas in which it has work centres. [EC7]

In terms of remuneration, the minimum salary of new employees was for another year approximately 30% above the minimum inter-professional salary established for Spain in 2012, taking the lowest salary of Fluidra's Spanish companies as a reference, given that in comparative terms these represent the majority of companies included in the report. [EC5]

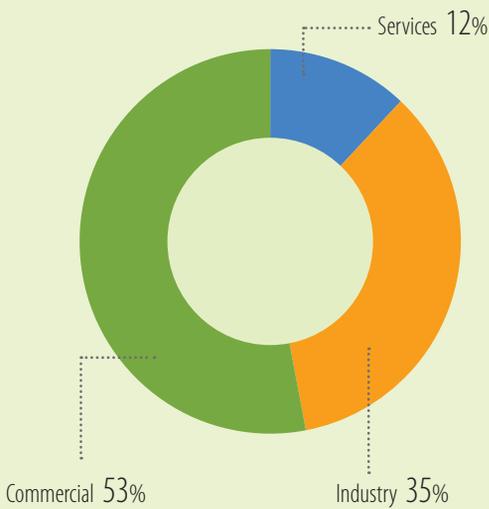
The average length of service of the staff is nine years.

Personnel with permanent contracts make up 96% of the company's staff.

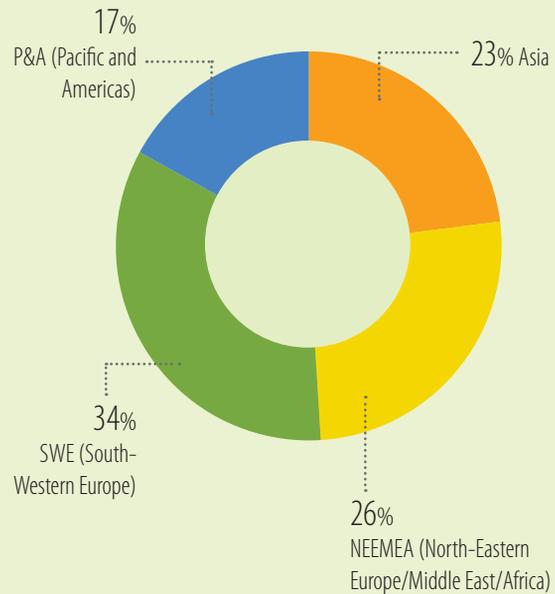
Social benefits for employees of the Group's companies were distributed as follows in 2012: life insurance (61.1%), accident insurance (47.6%), childbirth assistance (48.7%), flexible working hours (61.1%), special working hours (29.3%), subsidy assistance for individual training (47.6%), retirement/seniority awards (53.7%), parking (45.7%), social discounts (52%). These percentages were calculated on the eligible group in each company. [LA3]

OVERALL FIGURES FOR THE FLUIDRA GROUP [2.8]

2012 Staff by business division *



Staff by commercial division*

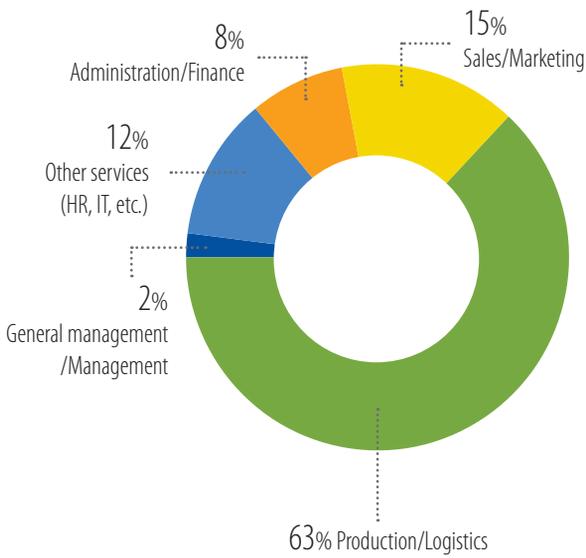


Average employees in 2012	
Commercial	1,940
Industrial	1,255
Services	449
Total	3,644

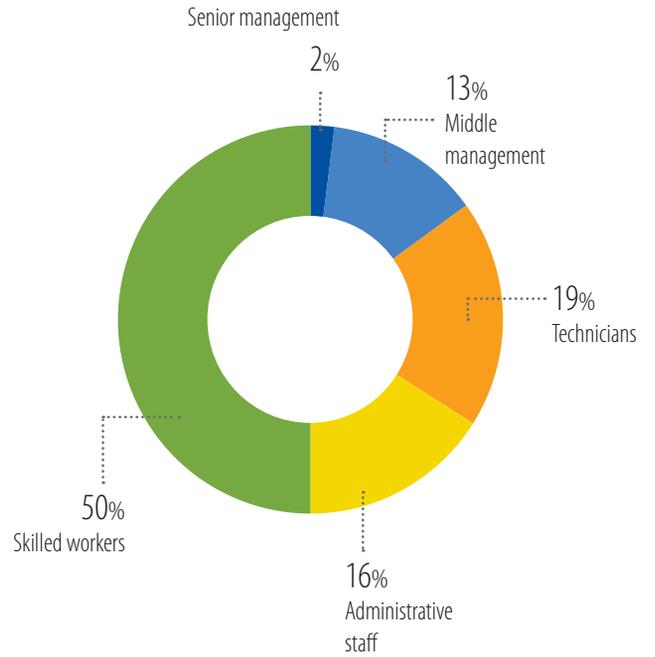
Average employees in 2012	
NEEMEA	510
SWE	653
P&A	326
ASIA	451
Total	1,940

* Data for staff from all the Spanish and international companies that form part of the shareholders and non-shareholders in this Report.

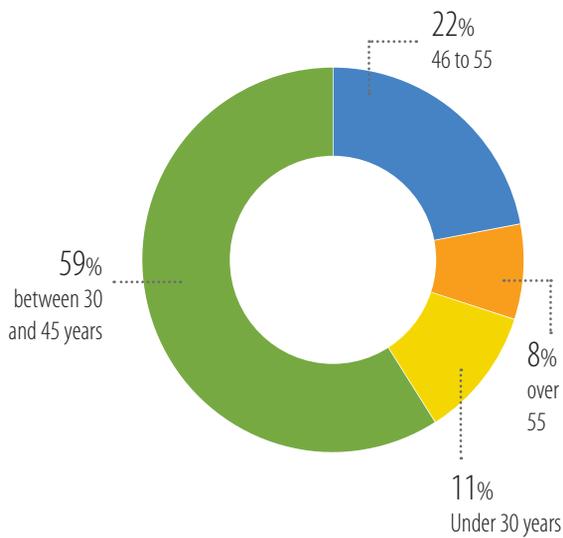
Percentage of staff by functional areas *



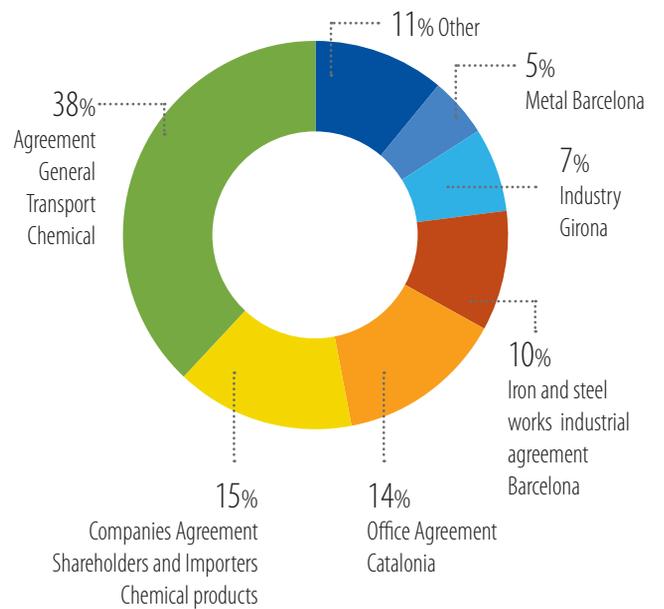
Percentage of staff by professional category *



Staff by ages *



Percentage of employees per collective bargaining agreement in 2012* [LA4, LA5]



* Data related to the Group's companies, Spanish and international, covered in this report.

A Flexible Remuneration Plan, Fluidra Flex, has been designed and implemented for the first time for employees in Spain in 2012, which offers the possibility to take advantage of fiscal and economic advantages by contracting products such as food, crèche vouchers, training, computer equipment, home rental and health insurance, adapting remuneration to employees' personal/family requirements.

It was introduced into 14 companies in Spain in 2012, representing 58% of companies that participated in the report, with adhesion of 53% of people who participate by contracting a product. It is planned to extend the plan to a larger number of companies in Spain in the coming years.

The company shows the highest level of respect for the workers' rights and facilitates freedom of association and representation activities in all its workplaces. During 2012, no risk situation was identified to this respect. [HR5]

4.2.2 Talent Management [LA.e, LA11]

The key to Fluidra's excellence and good results is based on the company's ability to attract and retain the best professionals. To achieve this, Human Resources works to create and improve management processes and tools aimed at developing talent.

The Group's strong international expansion and the heterogeneity of its companies has led to the creation of different professional itineraries and a commitment to an internal promotion policy that empowers Spanish and international mobility. With the aim of regulating and coordinating increasingly more frequent movements of people, an International Mobility Policy was defined in 2012.

Another of the tools consolidated in this period is the ONE to ONE corporate performance assessment programme. In addition to fostering dialogue between managers and collaborators, this system helps to prioritise objectives and define training and career plans. In 2012, 30% of the staff integrated in the report participated in this programme, increasing the number of assessments with respect to the previous year by 11%. [LA12]

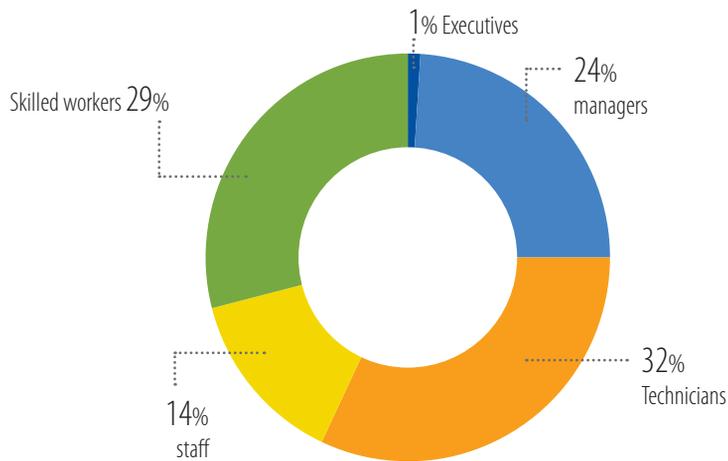
Also, in 2012 a modern information system was designed that will help with the application and extension of the ONE to ONE programme at a global level throughout 2013. The software used in the programme is an advanced functionality e-cloud application from one of the best suppliers in the market, which will help managers and human resources to manage the internal assessment, detection and development of talent in the organisation.

Training

In 2012, almost 1,000 employees benefited from approximately 24,000 hours of training. This figure is lower than that recorded in 2011 due to extraordinary and one-off training activities delivered in the previous period, such as the Sales Outreach Programme and the Executive Development Plan.

An International
Mobility Policy was
defined in 2012.

Personnel training by professional category [LA10]



	Hours*
Senior management	7
Middle management	23
Technicians	24
Administrative staff	30
Skilled workers	19
Total	23

* Average hours of training per employee and professional category

	No. of participants	Hours	Training budget (€)
Management	57	1,070	12,294
Administration/Finance	28	884	6,680
Commercial	190	2,854	37,892
Languages	166	8,285	80,724
Human Resources	53	1,879	5,216
Production/Maintenance	382	4,508	16,442
Logistics/Purchases	34	535	15,021
Logistics/Purchases	113	3,453	23,060
Total	1,023	23,467	197,327

FLUIDRACADEMY

where you work, where you learn

Corporate training

One of the Group's main training activities is the FluidrAcademy, a project created in 2010 with the aim of becoming the Group's corporate university in the future. As indicated under its banner "Where you work, where you learn", the aim of this initiative is that Fluidra is not only the place where people work but also where they learn and share experiences. Thus, one of FluidrAcademy's basic premises is to share internal know-how and empower the relations between the Group's different companies. The intention is that all employees are involved in this project, whether as trainers or as students.

Along this line, specific training for the Group's business lines were offered in the corporate environment in 2012: languages, finances for non-financiers, effective presentations, project and computer management, among others.

Management Skills Programme

One of the main innovations in the period was the design and launch of the Executive Skills Programme aimed at executives and middle managers. Jointly developed with a high-level prestigious training consultancy firm with a Learning By Doing methodology, two pilot groups were organised to validate the content and adapt the training to Fluidra's reality. The aim is to extend and reproduce this programme at a global level.



FluidrAcademy

Lean Management

In 2012, the company made a special effort in Lean Management training, as it is considered essential for achieving excellence in all areas throughout the organisation. Specifically, two Lean programs were designed: one aimed at executives and another aimed at the personnel responsible for its implementation in production companies (Advanced Lean). The programme is also open to all staff.

Corporate training

In parallel, specific corporate training such as the Code of Ethics and the Corporate Welcome Plan for new employees have also continued and have been empowered within the Group.

Online version of the Code of Ethics and Conduct

The Fluidra Code of Ethics and Conduct has been reviewed, updated and adapted to new technologies with the aim of disseminating it throughout the organisation during 2013. This initiative has been driven by the Group's CEO, Eloi Planes, who has communicated the implementation of the online training to the entire organisation as an obligatory part of the Fluidra Welcome and Integration Policy. The company has thereby taken a significant step forward in its commitment to ensure that the entire organisation works under the same values and codes of conduct. In this sense, FluidrAcademy progressively enrolls all employees who have computer user names so that they can take the course in the online formats, and the document is physically delivered to those who do not have access to computer systems so that they can sign that they have been informed of its content.



Executive skills course

New On-line Welcome

For the first time, the company has an online welcome course aimed at new employees which promotes information about the Group's history, the business, the people it is made up of, the structure, etc. The new Online Welcome course will be available in 2013 in Spanish, English and French, and later in other languages.

4.2.3 Health and safety

One of the company's basic objectives and priorities is to assure the health and safety of its employees. The Quality, Safety and Environment Policies of the companies that make up the Group place special emphasis on the matter of occupational hazard prevention.

In 2012, companies such as Metalast and Inquide carried out various safety campaigns which, under the theme of "12 months, 12 causes", addressed a specific awareness theme each month.

Each Group company within the Spanish territory has its own Occupational Hazard Prevention Plan which establishes periodic hazard assessments adapted to employees' activities and job positions, and offers the training required to all internal and external personnel.

The prevention plans are usually articulated through an outside prevention service, which is applied by the Prevention Coordinators, the Prevention Representatives and the Health and Safety Committees in each company. This guarantees adequate detection and control of existing hazards, and the compliance of prevention and monitoring plans for the corrective measures implemented.

In terms of expatriated people, although the International mobility policy does not expressly referred to training on hazards, illnesses and serious accidents, they are informed and advised about these matters individually and directly. [\[LA8\]](#)

4.2.4 Equality, diversity and work-life balance

Guaranteeing equal opportunities among the different groups and people transversally throughout all areas of the organisation is a basic pillar in Fluidra's human resources management. The company has an Equality and Diversity Policy that covers objectives, principles and responsibilities at a corporate level.

Additionally, each company adapts the general guidelines to its specific reality with its own processes and regulations. For example, there are several companies in the Group that already have their own Equality Plans such as Fluidra España, Fluidra Commercial and Fluidra S.A.. The objective for the coming years is to establish a Corporate Equality Plan linked to the Corporate Equality and Diversity Policy from the Fluidra S.A. Equality Plan. These policies guarantee equal treatment between men and women, not establishing differences between professionals who carry out the same roles, according to categories and job positions. [\[LA14\]](#)

Each Group company has its own Occupational Hazard Prevention Plan which establishes periodic hazard assessments adapted to employees' activities and job positions, and offers the training required to all personnel.

The international expansion the Group has undergone in recent years has made it a more multicultural company, therefore making it essential to improve team management processes and tools. Examples of these tools are the On-line Welcome programme, the Code of Ethics, the Executive Skills Programme and Lean training.

In order to achieve a positive workplace environment, Fluidra aims to achieve a balance in employees' personal and professional lives using measures adapted to organisational requirements and those of its people. One of the most valued is flexible working hours, especially in cases of maternity and paternity. [LA3]

Fluidra is working on the design of a Corporate Equality Plan, to be applied in the coming periods.

Initiatives under development

Work has continued in 2012 on the following initiatives, to be developed at a corporate level in Spain throughout 2013:

- To define an indicators table for monitoring the management of the Equality Plan.
- To include content on equality and workplace harassment in the On-line Welcome and Code of Ethics programme.
- To promote and disseminate a non-sexist language guide.
- To design training activities on equality for the entire staff, with the aim of achieving more effective awareness.

4.2.5 Code of Ethics

[HR.a] The Code of Ethics, based on the 10 principles of the United Nations Global Compact to which Fluidra adheres and which is renewed annually, includes a commitment by the organisation and its members to the principles of business ethics and transparency.

In order to guarantee respect to human rights, the company has an Ethics Channel, a totally confidential communication route, through which employees can inform about possible violations of principles and rights. In 2012, the Code of Ethics Promotion Committee received four communications regarding alleged violations of some of the principles established in the corporate document, which were satisfactorily resolved by applying the established protocol.

[HR4, HR6, 4.4]

Internal audits are carried out every year in the Group's companies in order to check the correct dissemination of the code as well as to detect possible breaches in terms of equal opportunities and non-discrimination. [LA.f]

COMMUNICATION AND ACTIVITIES FOR EMPLOYEES [EC8]

Fluidra employees are active and dynamic. The company encourages them to participate in various leisure, family, charity and/or sporting activities. It also incentivises employee relations with their executive teams through communication activities.

COFFEE MORNINGS WITH THE CEO

One of the most valued initiatives by employees are the so-called "Coffee with the CEO" breakfast meetings, which are held every quarter between the CEO, the highest representative of the Group, and the different groups of employees belonging to a specific functional area. [4.4]

Dialogue is encouraged in a relaxed environment in these meetings to exchange valuable information with the aim of identifying and creating strategic improvement actions that meet the concerns proposed by employees.



FOOTBALL CHAMPIONSHIP

In 2012, Fluidra participated in the Corporate Charity Olympic Games organised by the company a32 events,



the purpose of which were to foster cohesion and motivation as well as to make an economic contribution to a charity project.

The Trace Logistics team, on behalf of Fluidra, won the indoor football category for the second year. The proceeds collected were donated to Sonrisas de Bombay, which fights against poverty in slum areas in Bombay; ADAMA, an organisation that helps and accompanies people in situations of social exclusion and with no resources; and the Theodora Foundation, which sends clowns to children in hospital.



FLUIDRA DAY 2012

Fluidra Day is celebrated on 22 March each year to coincide with the World Water Day.

In 2012, different activities were held related to the mascot EveryDay, a cute calendar that reminds us every day that water, the same as all natural resources, is precious and scarce and must be cared for and protected.

Also, through the EveryDay micro site, employees presented ecological savings initiatives to become more sustainable at work. The most valued idea by employees was "Ecofont: ecological typeface", with which it

is calculated that approximately 50% can be saved on ink.

SUMMER PHOTOGRAPHIC COMPETITION

During the summer months, employees are also encouraged to participate in the summer photographic competition. The subject proposed in 2012 was "Fluidra Everywhere."



CHILDREN'S DRAWING COMPETITION

For Christmas festivities, an international children's drawing competition was organised for children of professionals who work in the Group's companies. The main theme of this edition was Christmas Solidarity, and 150 drawings were submitted.



MULTIPLE SCLEROSIS FOUNDATION

The Group collaborated for another year on the "Mójate/ Mulla't" campaign that the Multiple Sclerosis Foundation organises with the aim of collecting funds for research and support for people who have this disease.



Coinciding with this date, held on eight June, Fluidra organised, for the second consecutive edition, a corporate volunteering programme in all the swimming pools, with the participation of Group employees. The main event in the Diagonal de Barcelona swimming pool was attended by the Fluidra General Manager of Business Development and Marketing, David González, together with the President of the Catalonia Regional Government, Artur Mas, and the Mayor of Barcelona, Xavier Trias, among others.

All those who had not been able to participate as volunteers did their bits by making a small donation through the website: www.migranodearena.org.

The company is committed to innovation in product development and integral solutions as part of its competitive strategy for providing greater value to customers

4.3 At the side of customers

[PR.e] Fluidra is committed to innovation in product development and integral solutions as part of its competitive strategy for providing greater value to customers. The commitment to excellence and quality of its products and provision of services is always present in its relations with customers.

With the aim of fostering fluid dialogue, the company continually offers technical and sales training on its products, to customers as well as Group collaborators. It also participates in events, conferences, seminars and technical work days with the aim of disseminating and exchanging knowledge on the company's activity area.

4.3.1 Responsible management of innovation

[PR.a, PR.d, PR.f, PR.g] The company fosters constant innovation focusing its efforts on the design and development of sustainable products and solutions that provide added value to its customers and to society in general. With this objective, there is a multidisciplinary decentralised R&D+i model made up of Centres for Excellence and Technical Centres with a focus on technological specialisation, coordinated from the R&D+i Central Services in Polinyà (Barcelona).

GUIDELINES

customer **F**ocus

sustainabi**L**ity

Usability

Integration

Differentiation

Repet business

Added value products

The Innovation Committee is the body responsible for setting the innovation strategy and validating all projects related to products undertaken in the Group. This committee sets and validates the “guidelines” in the design and development of products, as well as in the use of increasingly more sustainable technologies.

At a corporate level it organises Marketing Committees coordinated by the Development Managers of the different business lines and made up of multidisciplinary work teams belonging to the production and sales companies, as well as R+D, technical, quality and marketing departments. These committees define the new products to be developed based on the requirements in each market. Before they are marketed, the R&D department coordinates and supervises to ensure they meet the technical and legal requirements in each country, also establishing technological monitoring criteria and review and care of Intellectual Property.

Innovation policies [PR.c]

Fluidra understands innovation as constant improvement. It therefore reviews and analyses the innovation process with the aim of improving its efficiency and effectiveness. Harnessing the resources and opportunities available to it and the available technology, the company places the focus on customer requirements and profitability of the projects.

The Group collaborates with technological centres, universities and companies specialising in different technologies to empower the development of new products and solutions and to improve competitiveness levels. A good example of this is its participation in clusters such as Catalan Water Partnership or the Indecat Sports Cluster, which foster the innovation and development of new products and solutions.

The Group’s policies establish the guidelines for guaranteeing a safe service and a high quality product that is respectful to the environment: [PR.b]

- To supply products with zero or the minimum possible risk
- To design more sustainable and competitive products that imply a real saving of resources (energy, water, etc.)
- To help customers make the best possible use of their products
- To innovate in technologies for water treatment that foster sustainability and responsible water use
- To establish the necessary controls on the design and finish of the products
- To increase customer satisfaction
- Zero accidents objective

In 2012, the Group continued to demonstrate its commitment to innovation and the application of guidelines with the launch of new pioneering products, such as those presented at the 2012 Lyon International Trade show. Among these were AstralPool Mac, a clear example of global innovation in the swimming pool sector. Life cycle analysis methodologies were used to develop the product with the aim of minimising its environmental impact in the use and transport of the materials as well as in its usage phase. [PR1, EN6, EN26]

The Group collaborates with technological centres, universities and companies specialising in different technologies to empower the development of new products and solutions

ASTRALPOOL MAC, WELCOME THE NEW 3.0 POOL



AstralPool MAC is a unique and sustainable product that involves a new concept in the way of understanding and managing swimming pools. It is a pioneering compact and modular unit that incorporates all the elements required for the most efficient physical and chemical treatment of the swimming pool. Its intelligent software and a touchscreen enable working parameters to be adjusted to control the total operation of the swimming pool.

AstralPool MAC is the first unit in which all elements work together in a coordinated manner under criteria that maximise sustainability and efficiency. It therefore achieves up to 50% savings in energy and 50% in water washes compared with conventionally controlled swimming pools.



SUSTAINABLE PRODUCTS: GREEN FRIENDLY RANGE



[PR6] With its Green Friendly brand, Fluidra identifies the products and equipment that provide the most sustainable solutions in terms of water and energy savings and reduced noise levels. The reference criteria are determined by studies undertaken by the Group's R&D+i Department and represent a minimum of 25% with respect to equivalent standard products or traditional solutions. Due to their relevance at a technological and efficiency level, the following are highlighted within this range:

ELECTRONIC AUTOMATIC POOL CLEANERS

In addition to providing convenience for cleaning the shell of the swimming pool and less maintenance effort, it enables savings of more than 20% of water in the filter washing.



CYCLONIC PRE-FILTERS

Hydrospin Compact expands the family of Hydrospin products, hydrocyclonic cleaning pre-filters that can be installed in filtration systems. They reduce 50% of water consumption from washing in the filtration system and reduce the frequency of washing from the output filter, thus helping with maintenance of the swimming pool.

LED LIGHTING

Saves up to 90% in energy thanks to the greater energy efficiency of this technology. The PAR56 RGB LumiPlus 1.11 light has a useful service life of 100 times greater than the traditional halogen lights, and energy consumption 12 times lower. With its 100,000 hours of useful service life and zero maintenance, it fosters sustainability by drastically reducing the frequency of replacing the product. It complies with the energy efficiency requirements of the new European directives related to ecological design applicable to products that use energy and that will be of obligatory compliance in the coming years.



VIRON PRODUCTS

Aimed at the residential as well as commercial swimming pool market, the range of Viron eVo pumps incorporates speed control for precise adaption to filtration requirements of each swimming pool, thereby maximising energy savings without compromising filtration quality or water treatment. Also, the absolutely silent operation at low speed and the greater durability of the components make the Viron eVo family the perfect solution for every swimming pool.

NEOLYSIS

The combination in a single reactor of the UV technique with low-saline electrolysis has proven to be one solution for treating and disinfecting water in private and public pools. The Neolysis system can add the most notable features and benefits of each of the techniques separately and mutually correct their defects, drawbacks or limita-

tions. Its main features and benefits are:

- There is no need to add salt to the pool shell.
- Highly effective double-disinfection (UVC + on-site chlorine/Anodic oxidation).
- Increased capacity for eliminating chloramines (UVC + cathodic reduction).
- The water and energy savings make a positive contribution to sustainability. There is no longer any need for filter washes for the sole purpose of reducing the concentration of chloramines (<0.6ppms).
- Useful synergetic treatment as it has an oxidative capacity with residual effects.
- Completely avoids the need for the addition of chlorinated products (hypochlorite, chlorine tablets, etc.).



STAINLESS STEEL MODULAR SWIMMING POOLS AND WELLNESS FACILITIES

Fluidra has designed a range of innovative modular systems in stainless steel for swimming pools and wellness facilities. The swimming pool shells, facilities and load-bearing structures are developed and built in the company's centres, which enables the swimming pool to be sent complete or in modules to avoid or minimise assembly in the facility itself.

The Group has been present in the European Standards Committees (CEN) since approximately 2002, collaborating on the development of the current law for swimming pools

4.3.2 Responsible innovation [PR.6]

Fluidra actively promotes responsible innovation in benefit of improved safety. The Group has been present since 2002 in the European Standards Committees (CEN), which provide a platform for the development of European Standards (ENs) and other consensus documents for establishing the regulatory framework that affects its products, specifically collaborating on the development of standards for swimming pools. It has also been working on the development of EN15288 and EN 13451 standards, in relation to swimming pool design and safety through the European Standards Committee CEN/TC-136 WG8. It also supported the initiative taken by the Spanish Association for Standardisation and Certification (AENOR) to set up a work group at a European level to improve the safety conditions of private pools, through the CEN-TC402 technical committee.

Committed to the innovative and safe development of products, the Group has established an internal structure that involves proactive participation in the CEN-TC 136 /WG8 and CEN-TC402 WG1 and WG2 committees. This structure combines the efforts of senior managers, technical teams in production plants and staff at branch offices.

Traceability control [PR6]

The Group's different companies have supervision, control and monitoring systems and tools for its products with the aim of detecting and assessing possible deficiencies. To achieve this, traceability control is used that enables preventive and corrective actions to be applied.

On the other hand, and taking into account the importance of the customer in the entire product development process, the Fluidra Surveys application is used to assess the level of customer satisfaction.

4.3.3 Distribution: new branch concept

Fluidra España has made significant efforts in modernising its network of distribution centres with the aim of empowering customer service to offer a better and more efficient service. Throughout 2012, a total of 16 branches were reconverted into self-service, which involved an approximate investment of 1.5 million Euros.

The self-service centres have enabled the company's diversification strategy to be intensified, so that customers can easily and quickly find all the products they need for their swimming pool, wellness, irrigation, fluid handling, pumping and water treatment. This new branch concept has involved growth of sales turnover of more than two digits, with a customer satisfaction index of over 98%.

4.3.4 Customer training [PR.e]

In compliance with the objectives proposed for 2012, Fluidra España has implemented the Training Plan aimed at customers, obtaining a result that surpassed all expectations, in terms of volume of activities developed as well as number of attendees.

Durante este ejercicio, se han ofrecido 72 formaciones repartidas en las 11 delegaciones. During this period, 72 training sessions were delivered in the 11 branches converted to NBC (New Branch Concept: Self-service) and in the training rooms in the branches themselves. In total, approximately 240 hours have been delivered with attendance of 1,427 people.

The topics addressed in the sessions include: Physical and chemical treatment, liners, automatic cleaning, heating, electrolysis, water treatment, Hunter gardening, Rain Bird gardening and pumping, among others.

For example, companies such as ATH have carried out 103 technical/sales activities aimed at sales reps, distributors and customers. Although in these cases the syllabus was adapted to each customer's requirements, in general the main aspects covered were: Water problems, water conductivity and hardness, decalcification, conventional and low consumption system comparison, operation and installation, benefits of the low consumption system at a domestic and industrial level, and domestic reverse osmosis, saline electrolysis and its benefits.

The satisfaction surveys with customers reflect a very high level of satisfaction, for the information received as well as for the trainers' level of preparation, who were mostly Fluidra España internal personnel, and for some very specific products trainers were sent from the product supplier.

In 2013, it is planned to repeat the same training plan in NBC Branches where training was not carried out in 2012.

Left: Idegis. Customer and supplier training in Morocco
Right: training at ATH



The new self-service branches have achieved a customer satisfaction index of more than 98%.

4.3.5 Quality and satisfaction

[PR1] Throughout 2012, the company implemented the Integral Quality Management project, the mission of which is to improve the quality of its products and services, always considering customers and the improvement of its internal processes.

The Fluidra Quality Committee, led by General Management, has been working on providing a response to its commitment for continual improvement and customer satisfaction. Its primary objectives are:

- To set up a single complaints system common to all companies, based on objectivity and flexibility.
- To identify and implement a single framework for action whereby all companies in the Group provide the same level of service.
- To analyse quality, the application of corrective measures and their follow-up to obtain better and more competitive products.
- To establish smooth and constant communications with our customers by informing them of the constant improvements made.
- To offer our customers continuous training on our products and services so that they are better informed about them.

For the first time in 2012, the company integrated sales, production and logistics companies into a Single Claims System. Implementation of this system will continue in 2013, until it is extended to all Group companies. In parallel, the use of the QDB (Quality Data Base) application has been empowered, and is available on the intranet. Developed exclusively for Fluidra and for the free use of all of its companies, an 8D (8 Disciplines) analysis is applied for continual improvement with the aim of meeting customer requirements. It also ensures "intergroup" communication of all the milestones achieved.

Another innovation in 2012 was the implementation of the Fluidra Surveys application, which measures external and internal customer satisfaction. This computer program sends surveys that customers can easily answer in their browser. [PR5] These surveys are a source of highly valuable information that is incorporated into the Product and Service Quality continual improvement process.

4.3.6 Lean Management

Lean Management is one of the company's strategic pillars. It is a concept that involves focusing on efforts to foster and cultivate efficiency in all the company's processes under the premise of responding to customer expectations. This department is developed according to the concepts of the FLOWS (Fluidra Operational Work System) management system.

The main activities in 2012 within the development framework of this programme are listed below:

Training

Through the FluidrAcademy, a total of 519 people have benefited from Lean training programs, designed specifically to different groups and different user levels.

Production solutions

The companies Cepex, ECA, Pacific, Inquide, Metalast, Sacopa, Talleres del Agua and Togama have followed with their FLOWS system implementation programme. Also in 2012, several activities of the programme were commenced in Unistral Recambios, Aquatron, AstralPool Australia, Aquaproducts and Inquide Italia.

Sales improvements

Self-service centres have been implemented in Spain, France, Portugal and Italy based on the Lean concepts of product availability. The new concept is focused on satisfying customer requirements providing better customer service, with an efficient service, a showroom, a self-service area and a space for customer training.

Also in 2012 the Lean Office workshop was started up in the Group's company dedicated to the sale to supermarkets, Manufacturas GRE. This workshop involved analysing all the administrative processes and identifying all the operations that did not add value, and sought opportunities for improvement. Once identified, the activities were determined for elimination and reduction and, as a consequence, the entire process was made more efficient. This work enabled the layout of all the administrative departments to be redefined and a new one implemented locating the departments following the entry flow of orders and the functions required through to dispatch of the goods.

The processes of the TCS Technical Customer Care Services of the SWE (Southwest Europe Division) were also analysed, which served to define the new fluid TCS model.

Transversal projects

The Lean Department has led or participated in 12 transversal projects in the areas of Supply Chain, Transport, Data Management and Quality. At an industrial level, savings of around two million Euros in costs were achieved; in the SWE division, 1.9 million Euros in costs were saved.

The following targets were proposed by the Lean Department for 2013:

- To help companies improve their efficiency and achieve their objectives by implementing adequate lean projects.
- To lead and/or participate in transversal projects.
- To disclose the FLOWS system through a manual that explains each of its concepts.

The new online Fluidra Surveys program enables customer satisfaction to be measured.

Fluidra has integrated the Code of Ethics in each of the new contracts signed by suppliers

4.4 Shared responsibility with our suppliers

The company collaborates and maintains alliances with suppliers that share its values and criteria. Relations are established based on the principles of honesty and integrity, maintaining objective selection criteria and fostering sustainability practices.

The Group is working on a corporate supplier selection policy that establishes common guidelines for all of its companies, under the principles of respect for the environment, human rights and quality certifications.

Similarly, the Central Purchasing Department, supported by the Legal Department, has continued with the Code of Ethics implementation and communication process, integrating it in each of the new contracts that have been entered into.

In 2012, clauses were included about human rights and the Code of Ethics in the contracts of the Group's 10 main suppliers. In 2013, 100% of new contracts and all renewals will be included. All the information required for its implementation and support has been made available to local suppliers, managed by the Group's entities. Contracting local suppliers is fostered as standard practice. However, no data is currently available about segmentation between local and non-local suppliers. [\[EC6, HR1, HR2, SO2\]](#)

New renting and travel policies

At an internal level, the Central Purchasing Department has led, with the essential collaboration of the HR Department, the implementation of several service policies that affect the costs, use and behaviour of the employees.

A good example of the two new concepts of respect for the environment that have been incorporated in the vehicle renting policy: the obligation that all vehicles have CO2 emission limitations and the possibility of using hybrid vehicles in the senior management fleet. [\[EN18\]](#)

On the other hand, in 2012, the Group's travel policy was also approved, which establishes behaviour parameters with the aim of regulating the travel service and limiting it to cases of real requirements, proposing technical and technological tools to replace it. [\[EN18\]](#)

Both tools promote respect for the environment and foster the responsible use of these services by personnel as the main axes.

During 2013, work will continue on fostering the use of good internal (employees) and external (suppliers) practices, through the application of the Fluidra Group Code of Ethics.

4.5 Committed to the environment

In 2012, Fluidra increased environmental investments by 59.7%

The company undertakes its activities with a firm and decided commitment to the environment. The company's mission, vision and values reflect its determination in driving responsible management of water resources through rigorous application of sustainability criteria.

Aware of the environmental impact of its activities, it integrates a constant minimisation process of this impact and protection and regeneration of the natural environment in its management model. The company focuses its commitment on the efficient use of raw materials, energy and water, as well as the emissions, waste and discharges. [\[EN.a\]](#)

The company's main commitments to protection of the environment are:

- Preventing contamination by eradicating and/or minimising significant environmental impact.
- Managing natural resources well by avoiding their exploitation, optimising their consumption and favouring the use of reusable and/or recyclable materials.
- Offering training, raising awareness and motivating employees and other stakeholders to ensure minimal environmental impact.
- Engaging suppliers and contractors in the company's commitment to and respect for the environment through the Supplier Selection Policy.
- Complying with the legislation in force and basing our management system on continual improvement.

Due to the diversity of the company's activities, the environmental management systems are different for every company and specific and independent environmental objectives are defined, although always in compliance with the general corporate environmental guidelines. The highest environmental responsibility falls on senior and middle management in each of the companies, despite that in terms of operations it is delegated to those responsible for the environment, safety and quality according to the organisational chart of each company. [\[EN.d\]](#)

[\[EN30\]](#) In 2012, environmental investments and expenses totalled €932,123, which was a 59.7% increase with respect to the previous year. The investments were aimed at energy efficiency for reducing consumption and affect production equipment to reduce environmental aspects such as water, waste, raw materials, and discharge control, among others.

Environmental investments and expenses

Investments the company made in terms of the environment (not including standard costs)	688,149.99 €
Treatment and removal of waste	154,163.14 €
Treatment of emissions (e.g. cost of filters, chemical agents, etc.)	12,060.00 €
Cleaning costs, including spill remediation costs	77,750.46 €
Total environmental investments and costs (€)	932,123.59 €

ENVIRONMENTAL CERTIFICATIONS*

The Group companies listed below have environmental management systems such as ISO 14001 and EMAS, audited by external companies that verify compliance of the environmental requirements established in the standards. [\[EN.c\]](#), [\[EN.f\]](#)

Environmental Certifications		
Companies	ISO 14001 *	EMAS
Astramatic	2015	
Cepex	2014	
GRE	2016	
Inquide	2015	
Metalast	2015	
Poltank	2015	2015
Sacopa	2015	2015
Talleres del Agua	2013	

* Valid until



4.5.1 Main energy milestones in 2012

The main objectives achieved during 2012 on environmental matters are summarised in the following aspects: [\[EN.b\]](#)

Energy efficiency and minimisation of electricity consumption

The company decreased its energy consumption by 19,417.6 gigajoules with respect to the previous year if the energy reduction as a result of the closure of the ATCC plant is discounted, which was an improvement of 9.2%. The main actions that have enabled this significant advance include: [\[EN5, EN6\]](#)

- Reduced fluorescent lights in Fluidra España facilities with the aim of reducing energy consumption.
- The installation of a solar generation system in Certikin (UK) in June 2012, which entailed a 15% saving on the average annual cost.
- The creation of an Energy Efficiency Guide, based on the guide published by the Group's central services with the aim of raising awareness of ATH personnel.
- Installation of frequency inverters in a Sacopa injector, reducing consumption by 40%.
- Replacement of two injection machines at Cepex.
- Employee awareness campaigns to inform people about the need for efficient energy use.
- Reduced electricity consumption due to reduced production hours in some of the production centres in order to adapt them to market requirements.

In terms of energy acquisition, the Monzón industrial plant participateS in the electricity cogeneration company IN-QUIVAP, which provides the electricity this centre requires.

The energy consumption reduction in 2012 was an improvement of 9.2%

Energy consumption [\(EN3, EN4, EN7, EN16\)](#)

Source	2010 Consumption	2011 Consumption	2012 Consumption	GJ Conversion factor (GRI)	2012 Consumption (GJ)	CO2eq Conversion Factor (*)	2012 CO2 eq (T) emissions
Natural Gas (Mm ³)	135.3	141.9	110.1	39.01	4,295.8	2.57	283.17
Diesel (Tonnes)	427.9	386.1	393.3	43.33	17,041.2	2.62	1,217.76
Co-generation (kWh) own consumption	4,816,440.0	4,738,115.0	2,973,526.0	0.0036	10,704.7	0.42	1,248.88
Basic electricity (kwh)	31,788,555.6	31,318,390.5	28,111,262.5	0.0036	101,200.5	0.33	9,358.2
Total					133,242.2		12,108.01

Source of CO2eq conversion factors: Guia pràctica per al càlcul d'emissions de gasos amb efecte d'hivernacle (GEH) from the Catalonia Regional Government. 2013 version. The Tn of diesel are calculated from the conversion factor of 0.845 kilos/litres (British Petroleum).

Diesel CO2 emissions are calculated from its conversion to litres (2.6516 kg CO2/litre).

The electricity coefficient applied to the company Certikin UK corresponds to the 2008 British energy mix (0.541 kgCO2 /kwh) National Energy Foundation, UK. Electricity consumption is estimated based on the invoices issued by service providers

(*) CO2 conversion factors according to IDAE-2011 (Ministry for Industry, Energy and Tourism). Electricity consumption is estimated based on the invoices issued by service providers.

Fluidra companies work towards continually improving atmospheric pollution emissions.

Reduced atmospheric pollution emissions

The Group continually works on improving atmospheric pollution emissions through the use of raw materials that generate fewer emissions, the study of new production processes that enable them to be reduced or completely eliminated, or the assessment of alternative products to totally or partially replace them.

Atmospheric pollution emissions [EN19, EN20]

Year	NOx	SOx	CO	Particles	VOC's	Others
2010	0.3	1.07	1.00	2.37	41.00	6.55
2011	3.4	2.34	1.03	3.54	45.06	2.27
2012	1.7	1.80	0.52	2.29	46.00	3.50

Data in Tn. Data obtained from periodic, annual or quarterly control depending on the element, using various measurement methods such as mass balance for the VOC's.

NOx: nitrogen oxides; SOx: sulphur oxides; VOC's: volatile organic compounds. Particles: HCFC, HCl, etc.; Others: mainly chlorine

Due to the nature of their activities, Fluidra companies do not emit significant quantities of substances that are destructive to the ozone layer, although the Group maintains the objective of reducing them as a preventive and control measure. In 2012, nitrogen oxides, sulphur oxide and particle emissions were reduced, and the concentration of some volatile organic compounds and other emissions, basically associated to chlorine, increased.

[EN29] With the same objective, measures have been taken in the Group's storage logistics for optimising transport using complete loads and efficiently managing customer deliveries. In light of the increased number of kilometres in 2012 due to increased deliveries, the following transport emission values have been calculated with the CO2 emission factor indicated:

Transport emissions

	Cars (km)	Transport of merchandise (km) (Lorries and vans)	Total Km	Total Emissions CO ₂ (Tn)
2010	6,254,781.40	28,938,564.00	35,193,345.40	20,831.62
2011	6,782,135.00	33,102,954.20	39,885,089.20	23,761.12
2012	6,012,160.00	39,063,793.90	45,075,953.90	27,675.09

The km of merchandise is an estimation based on the number of shipments times the average number of km per trip. The mileage of cars is based on reports issued by car rental firms and the mileage contracted. The mileage of Certikin INT is not included in this section.

	Consumption l/100	kg CO ₂ /l
Vans and trucks	26.00	2.6164267
Diesel cars	7.00	2.6164267

Source of conversion factors for the CO2 eq: Practical Guidelines for calculating greenhouse gases (GHG)" by the Government of Catalonia, 2013 version; CO2 conversion factors according to the IDAE (Ministry for Industry and Energy). Value obtained from the division between 3,090 and 1,181.

[EN16, EN17, EN18] The total amount of GHG emissions generated by Fluidra in 2012 in its production processes and transport was 39,783.2 T/CO₂, which is a 6.3% increase compared with the previous business year. The main causes were the increased number of kilometres by goods vehicles and trucks, especially those by the centralised logistics company, which recorded a significant increase in product deliveries.

Best practices

Other actions relevant to this section in 2012 were:

- Centralisation of vehicle renting in Fluidra S.A. in one department and, thanks to a costs study, concentration of the service with a single provider. In addition to optimising costs, a policy has been designed that enables travel to be reduced and CO₂ emissions minimised.
- Replacing a large number of Fluidra España attended meetings and training courses for teleconferences and online programmes, thus avoiding a great deal of Spanish and international personnel travel.
- Better use of the Group's logistic storage by all companies, which has enabled deliveries to be concentrated in full lorries.
- Collaboration of the companies Sacopa and Poltank –located in the Garrotxa region of Catalonia– with the local administrations for the implementation of a bus line that services industrial estates.

4.5.2 Improved management of waste generated [EN26]

Fluidra has improved the management of waste generated in its industrial activity by means of two basic actions:

- Implementation of new waste collection points in different buildings and work centres to facilitate waste segregation and improve its management.
- Information and training for employees on good environmental practices.

Minimisation of waste in packaging and packing

One of the company's current main challenges in the protection of the environment is to minimise the impact of the waste generated by product packaging; mainly paper, cardboard and plastic. Packaging is mainly in bundled and palletised boxes or, depending on the product, plastic or metal containers that are packaged in accordance with the established instructions.

Due to environmental legislation requirements, some companies must present Waste Reduction Plans for packaging to the competent body in their regional community.

The main measures implemented for minimising this environmental impact are:

- To reduce kilos of single-use packaging containers in the market and to increase the proportion of recyclable containers in relation to non-recyclable containers.

The company has centralised vehicle renting in one department and has concentrated the service in one supplier



- To always use recycled material wherever possible, and to use containers whose physical properties or characteristics enable recovery and recycling (Sacopa).
- To exchange cardboard boxes for internal use for plastic reusable boxes (Prelast).
- The reuse of wooden pallets from the raw material received for internal use (Poltank).
- The reuse of cardboard boxes received with materials from suppliers and customers for packaging deliveries (Idegis).
- Tools that transform waste cardboard boxes into filling for picking boxes, thereby reducing cardboard waste (Trace).
- The use of reusable boxes for moving components between buildings and reusing raw material pallets (Cepex).
- Agreements with customers for delivering products in reusable packaging (Cepex).
- The adhesion of many companies to a SIG: ECOEMBES, related to packaging recycling.

Thanks to optimisation processes, the percentage of packaging material was reduced by 2.91% in 2012, and the percentage of reusable packaging material was reduced by 5%. In terms of the useful life of packaging, there are no internal recovery processes for reusable packaging.

Packaging material [EN27, EN1]

	2010	2011	2012
Products sold (Tn)	58,371.5	53,603.03	53,893.67
Packaging material (Tn)	5,986.2	6,647.29	5,116.00
% Packaging over sales *	10.26%	12.40%	9.49%
% Reusable packaging material (Tn) **	9.59%	21.10%	16.10%

* (Packaging materials/Product sold)*100

** (Reusable packaging/Packaging material)*100

4.5.3 Responsible water consumption

Due to the nature of its business, the company is especially sensitive to water savings. Although consumption is not very high and processes do not require a large quantity, the companies aim to rigorously control consumption.

The objectives are to detect and repair leaks in the network as quickly as possible, unnecessary or improper use caused by poor practices, in addition to carrying out continual internal campaigns to raise awareness among employees about the importance of good use.

- In the Cepex plant in Granollers, the injection refrigeration system has been remodelled to incorporate a dry cooler (air refrigeration circuit).

Minimisation of water consumption

One of the main reasons behind the significant savings achieved in water consumption has been, together with the measures adopted by the companies, the cessation of activity in the Inquide ATCC plant for six months.

Underground water increased as a result of a change in production processes in one of the centres where groundwater is used.

Water consumption [EN8, EN9, EN10]

Water consumption in m ³	2010	2011	2012
Public/Private network	34,746.7	34,728.4	31,498.0
Underground	4,944.0	3,762.0	5,209.0
Surface	60,855.0	66,267.0	46,256.0
Reuse	(-22,019.2)	(-18,937.1)	(-5,719.8)
Total	78,526.5	85,820.3	77,243.2

Network Water data are provided by the Water companies with which the companies have water contracted.

Annual underground water is calculated using a meter.

Surface water data is provided by the La Campaña Irrigation Community

[EN9] The company Inquide, located in Monzón, is the only one in the Group that has a special scheme for collecting surface water from the Ebro basin that is used for domestic and industrial purposes. The industrial demand of the Ebro catchment area is 470 Hm³, of which 258 Hm³ corresponds to industries that are not connected to municipal water networks. In 2012, Inquide captured 0.046 Hm³, which was 0.0098 % of overall capture.

4.5.4 Optimisation of natural resources: consumption of materials

In the design, purchase management and production phases, Fluidra applies good environmental practices for reducing the misuse of raw materials, avoiding its exploitation, optimising consumption and minimising discards and wastage.

The table shows a significant reduction in the use of some materials due to the application of reduction methods, the reduction of product manufacture and replacement by others, in addition to the special incident in the Inquide ATC plant.

Optimisation of natural resources: materials consumption [EN1, EN2]

Raw materials (T)	2010	2011	2012	% Recovered in 2012
Plastic Products				
Polyvinyl chloride	7,247.6	7,008.6	6,249.7	18.01%
Polypropylene	4,052.6	2,875.4	2,903.7	1.46%
Acrylonitrile butadiene styrene	1,539.6	1,389.1	1,337.4	2.02
Polyester resin	1,097.8	1,210.4	1,258.8	-
High density polyethylene (HDPE)	4,268.7	883.1	636.7	0.48%
Other plastic products (<0.500 Tonnes)	1,563.0	1,333.0	1,329.1	-
Metallic Products				
Stainless steel	4,974.9	3,887.5	4,161.7	-
Iron	211.2	350.6	347.7	-
Cables	188.2	177.8	151.3	-
Aluminium	29.7	41.8	35.2	-
Copper	19.3	16.9	15.7	-
Titanium	9.2	9.9	9.9	-
Chemical Products				
Chlorine	7,597.0	7,599.1	3,627.5	-
Trichloroisocyanuric acid	6,932.0	2,449.0	6,259.0	-
Cyanuric acid - Isocyanuric	3,612.0	3,500.0	2,020.0	-
Sodium thiosulphate - Thiosulfate solution	1,953.9	2,133.0	975.2	-
Sodium hydroxide	11,355.4	11,448.5	5,519.5	-
Sodium bisulphate	1,170.7	1,152.9	1,071.5	-
Sulphuric Acid	1,270.4	1,209.3	1,928.5	-
Sodium dichloroisocyanurate	1,677.0	2,046.3	1,031.5	-
Sodium hypochlorite	0.0	127.5	1,256.0	-
Other chemical products (< 1 T)	4,144.2	4,494.54	3,777.11	-
Other				
Fibreglass	1,097.3	826.3	859.4	-
Recycled glass	-	-	4,000	-
Pigments	-	-	3.4	-

4.5.5 Respect for biodiversity

One of the actions around respect for biodiversity in the natural environment in Fluidra's work centres includes the use of high-efficiency LED amber lighting by Garrotxa production companies for lighting areas near protection zones due to their special natural interest. This facilitates the adaptation of the majority of fauna and insects in the area, which are adapted to the nocturnal world and are more sensitive to blue light radiation.

[EN11, EN12, EN13, EN14, EN15] The vast majority of the Group's companies are located in industrial estates, outside of specially protected natural spaces. Those that are located in areas adjacent to protected spaces have environmental prevention and action protocols:

Inquide Monzón (Aragón)

One of the Group's industrial companies with 92,274 m² of total occupied surface area. It is near the Cinca River within the scope of the Quebrantahuesos (*Gypaetus barbatus*) Habitat Recovery Plan. This is a protected species that is not on the IUNC (International Union for Nature Conservation) Red List.

Inquide facilities are located outside of the critical area and are not affected by any ZEPA or any Natural Resources Ordination Plan. To this regard, the General Directorate of Aragon has issued a statement to say there are no grounds for possible risks.

Poltank and Sacopa (Catalonia)

The companies Poltank and Sacopa, on premises of 17,626 m² and 9,662 m², respectively, carry out their activities in the Garrotxa region (Catalonia), which is considered of particular interest from an environmental perspective, particularly with regard to geological, botanical and landscape matters. Their premises are located approximately 1 km from the protected areas.

The Alta Garrotxa PEIN (area of outstanding natural beauty) and the Natural Volcanic Park of La Garrotxa are the main protected areas to be taken into consideration by these two companies. In the Garrotxa region, there are no species on the UICN Red List.

Native species have been used to landscape these premises to avoid the propagation of non-native species. Another of the measures taken from the outset was to leave a 25 m strip of land around the premises free of vegetation to avoid the spread of fire.

Our environmental management has made it possible to maintain a policy of minimum risk to the environment. As a result of this policy, no actions to restore natural habitats that had been degraded as a consequence of the industrial activities of companies were necessary in 2012.

Minimisation of residual waters [EN21, EN23, EN25]

In 2012, a total of 27,969.9 m³ of sewage waters were discharged, which is a reduction with respect to the total of 31,076.0 m³ discharged in 2011. Sewage waters were mainly discharged directly into the public network as they are basically for domestic consump-

Fluidra's environmental management enables an environmental risks minimisation policy to be maintained

In 2012, the company reduced hazardous waste by 30.8% and non-hazardous waste by 58.1%.

tion and in some Group companies they are also incorporated into production processes. In 2012, significant discharges were not recorded in the Group's companies, neither were impacts on biodiversity identified due to discharges of the treated water.

Discharges and spills [EN21, EN23]

Discharges and spills (m ³)	2010	2011	2012	%Inc
Domestic water	22,323.4	21,850.4	20,437.1	-6.5%
Products process water	11,201.6	9,220.6	7,527.8	-18.4%
Spills	5.0	5.0	5.0	0.0%
Rejection from osmosis	3,043.0	2,373.0	1,443.5	-39.2%
Accidental spills	-	-	-	
	36,573.0	33,449.0	29,413.4	-12.1%

Own purification

	2010	2011	2012	%Inc
Treated water	59,937.6	64,895.6	44,950.6	-30.7%

Note: A significant part of the reduction of purified water is due to the fact that one of the production plants has been closed for six months.
The spills estimations are based on the balance of input and output masses

Best practices

Other actions related to respect for biodiversity by Group companies are listed below:

- Inquide Monzón has a biological purification station where domestic waters are treated. This system enables water discharges to be treated by means of filtration wells, as there is no public sewerage system in the area. The remaining steorage waters generated in Monzón are managed internally as waste, depositing them in storage tanks for natural evaporation.
- The company Metalast likewise has a physico-chemical system for treating its process water. All the other companies in the Group have closed water circuits that make it possible to reuse water and make the corresponding savings.

4.5.6 Optimisation of waste management and treatment

The waste generated by Fluidra production centres is separated selectively and treated in accordance with current legislation. Its management is aimed at reduction, reuse and recycling at the origin as well as by authorised managers. Additionally, in some work centres, in order to

achieve a recovery output of waste as a sub-product, new waste collection points have been implemented to facilitate segregation and improve management. Part of the waste reduction in 2012 has been a result of the temporary closure of the ATCC centre.

The Group's companies do not internationally transport or treat waste classified as hazardous according to the Basel Convention in its appendices I, II, III, and VIII; all treatment or transport that may be derived from this waste is carried out in the Spanish territory.

Waste treatment [EN22, EN24]

Type	Treatment Method	Hazardous		Non-hazardous	
		2011	2012	2011	2012
Managed onsite	Reuse of own waste. Making use of waste in the centre itself.	169.21	135.4	31,896.5	12,025.0
	Energetic treatment, disposal and/or recovery of waste	6,556.02	5,140.7	0.00	0.00
Offsite management	Reuse at waste management facilities	119.60	120.4	1,653.36	1,528.8
	Used as a by-product	5,021.26	2,792.8	352.68	279.5
	Waste treatment or disposal	218.36	168.4	1,032.18	819
Total		12,084.5	8,357.7	34,934.7	14,652.3

* Act 10/98 defines hazardous waste as "Substances that appear on the list of hazardous waste, approved by Royal Decree 952/1997, as well as containers and packaging in which they have been stored. Those that have been classed as hazardous by EU regulations; those that may be approved by the Spanish Government pursuant to EU regulations or that appear in international agreements entered into by Spain".

4.5.7 Training and awareness-raising actions [EN.e]

Staff training and awareness activities developed by the company include:

- The Welcome Manual is available to personnel through the internet, which covers the Group's mission, vision and values.
- The Code of Ethics is delivered to all personnel, which covers the Group's corporate conduct.
- Through the Everyday microsite, Fluidra raises awareness about the optimisation and responsible use of natural resources such as water, among other resources, promoting employee participation in competitions and activities that contribute to the development of the community.
- Awareness is raised among personnel in work centres about the responsible use of water, and energy, as well as waste recycling.

- Lean and Lean Advanced training programs are carried out, aimed at executives and the people responsible for implementing the Lean culture for the optimisation of resources.
- Sacopa raises environmental awareness about information/training on transport so that it is incorporated into the tools for optimising resources and avoiding unnecessary atmospheric emissions.

4.5.8 Future objectives [EN26, EN.g]

Main challenges for the Group's companies in the coming years:

- Awareness campaigns with the aim of raising awareness among personnel about energy consumption (ATH, Astramatic, Sacopa, Cepex).
- Optimisation of compressed air consumption, the installation of converters in the injectors, reduce lighting and office consumption (Sacopa).
- Reduced unnecessary energy consumption: good practices in set point temperatures, the installation of timers and leak control. To study alternatives for improving air-conditioning and improving the use of natural light (Poltank).
- The reuse of water used in testing laboratories and better use of gas bottles with the aim of reducing consumption (Water Workshops).
- Reduced consumption of acetone as a cleaning agent with non-evaporating products and achieving their total elimination before 2016 (Poltank).
- To study the possibility of reusing water from the purification process in the physico-chemical purification process itself (Metalast).
- Reduced chlorine and particles emission from the drying focus (Inquide).
- Optimising transport of raw materials (trichlorine and dichlorine containers) (Inquide).
- Reduce 10% of the chemical product waste outside of non-usable specifications.
- Reduced tonnes of waste disposable by recovery of waste obtained internally or externally (Poltank, Sacopa, Cepex).
- Optimising recoverable waste management. Reduced raw material packaging waste: big bag sacs through the installation of storage silos and raw material distribution (Cepex).
- Reformulation of the products with the aim of reducing pigment by 10% (Togama).
- Compliance with packaging waste reduction plans: reduction of the use of wood in packaging for its optimisation (Water Workshops) and the kg of single-use packaging placed in the market; increase in the proportion of recyclable containers used in relation to non-recyclable containers, always using recycled material wherever possible (Sacopa, Poltank).

4.6 Contributing to society

The responsible use of water requires exhaustive knowledge of the evolution of society and, in other words, of the daily and specific requirements – economic activity, diet, health and hygiene, leisure, etc.– of the entire planet.

For the company, meeting these requirements entails new business opportunities and growth acceleration but also, inextricably connected, new opportunities for actively contributing to the development of the communities in which it operates.

[SO.a, SO.b, SO.c, SO.d, SO.g] Fluidra is defined as a responsible and socially committed company, and therefore has an active role in society and the development of its business model following plans based on innovation and sustainability to help and improve the quality of life of companies in the environment in which it operates.

4.6.1 Socially active

The company works day-to-day to become involved in the reality of the countries in which it is present. Its growing link with the environment enables close dialogue to be maintained with the communities and more active collaboration in its contribution to sustainable development and the well-being of society. [SO.f]

Numerous professionals actively collaborate in associations related to water management, on activities such as the creation of guides and rules with the aim of promoting an environmentally sustainable environment around the activities of the company's products.

The executives, following the Group's guidelines, are responsible for communicating to employees about the responsibility of their actions in their day-to-day interactions with their colleagues and with external organisations in the development of their work, with the public administration, with the environment and, in general, with the society and the community around them. [SO.e]

The companies work transparently and independently in their dealings with the community and public entities in order to be able to offer the best services, without coming into conflict with the parties with which it interacts. None of the companies that make up Fluidra Group make economic contributions to political parties or lobbying activities. [SO5, SO6].

2012 Projects

More than 100 executives come together to renovate a school

In 2012, executives from 36 countries participated in the renovation of El Pedrenyal school/centre, a residential centre for intensive education located in Santa María de Palautordera (Barcelona), coinciding with its participation in the Group's annual convention. The initiative enabled links to be strengthened between the company's senior management, and fostered their participation in charity actions in benefit of the community.

Fluidra has an active role in society and the development of its business model following plans based on innovation and sustainability

In 2012, executives from 36 countries participated in the renovation of El Pedrenyal school/centre, a residential centre for intensive education located in Santa Maria de Palautordera (Barcelona)



Study case in universities from New York and Mexico

Fluidra's success reached classrooms in New York in 2012. Executives from the company met with 50 students in Barcelona from the New York University Stern Schools of Business, one of the main North American business schools. The students visited the Fluidra factory in La Garriga (Barcelona) and learned about the company's strategy and future projects. On returning to the university, the students used the material collected and worked together in a team to make a presentation about the company's international strategy.

The company also welcomed 50 students from the TEC Monterrey (Mexico), who visited the facilities in the Metalast factory in Polinyà and attended a corporate presentation by Bea Strelbl, Director of Communication, and Josep M^a Piera, European Finance Director.

Fostering collaboration among the corporate and academic worlds

The company has invited a group of university professors to the Maçanet de la Selva logistics centre and CEPEX in La Garriga.

Attendance at seminars

Fluidra representatives have been ambassadors for the company at different conferences:

- Pere Ballart, General Manager for CSA (Central South America), participated in conferences about internationalisation from the ESADE business School held in April.
- The CEO, Eloi Planes, took part in a conference organised by the Association for Management Progress (in Spanish, APD) about "Catalonia, on the way out of the crisis"; and the General Manager of NEEMEA, Ignacio Elburgo, informed about Fluidra's experiences in India ACG/Garrigues.
- Ignacio Elburgo participated in the Globalcat Convention, a cycle of work conferences and reflection entitled "Territorial conditions for the internationalisation of Catalonia", organised



by the Catalonia Regional Government in May. In the same month, Pere Ballart participated in an event in Garrigues, Interchina.

Left: Eloi Planes, took part in a conference organised by the APD.
 Right: Ignacio Elburgo, in the Globalcat Convention

- PWC/Foment de Treball organised a conference about internationalisation and invited Fluidra to talk about its experience in exporting technology and knowledge.
- In the ESADE Alumni Forum, Eloi Planes offered a conference about “The transformation of a family company”. Another successful event was the PWC/La Vanguardia breakfast, where Eloi Planas explained “How to progress in the VUCA world (volatility, uncertainty, complexity and ambiguity)”.
- Participation in a forum promoted by BBVA where Ignacio Elburgo spoke about “Turkey, with foreign drive” explaining the company’s experiences in Africa; and shared experiences about China with PI-MEC.

Right: ESADE Alumni forum.
 Left: Conference about internationalisation organised by PWC/ Foment de Treball



Fluidra sponsors the Sabadell Swimming Club women's water polo team



4.6.2 Sponsorship and patronage

The company allocates resources to different organisations that work in four major areas: “water and the environment”, sport, society and culture. These contributions are destined to projects that generate greater value for society, while enabling Fluidra to participate in the communities and countries in which the Group undertakes its business activities.

“Water and environment”

The company actively participates on achieving the Millennium objectives and has therefore collaborated for some years on different water and sewerage projects throughout the world. After the initiatives of previous periods in Ethiopia, Ecuador, India and Haiti in 2012, Fluidra has collaborated together with UNICEF on a development support project for access to drinking water and sewerage in schools in Mali. Thanks to this initiative, around 2,500 students and their families benefit from access to drinking water and sewerage infrastructures in five primary schools and communities in the most impoverished areas of Mali.

Sport

The company sponsors different local sporting associations and clubs. Among these are the Sabadell Swimming Club women's water polo team, CB Parets, Tennis Laietà, Buelna Sports Society, Resilla Sports Society, and the Cantabra Bowling Federation, among others.

In this period, it also took part in the Corporate Charity Olympic Games organised by the company a32 events, the purpose of which is to foster cohesion and motivation as well as to make a donation to a charity project.



The company is also one of the most active members of the Catalonian Indescat sports industry cluster, presided by Joan Porcar from Alesport with Jaume Carol, Fluidra’s General Manager of Business Development, as vice president. This association, with more than 30 member companies, aims to bring together the research companies and centres linked to the world of sport in Catalonia to drive actions that enable effective improvement of the competitiveness of companies, fostering the development of innovative products and services, as well as their international projection.



CWP – Catalan Water Partnership

Catalan Water Partnership, presided by Jaume Carol, Fluidra’s General Manager of Business Development, is a strategic cluster in which consultants, knowledge centres, equipment manufacturers, engineers and other entities related to the water cycle work together to promote multilevel collaborations aimed at achieving, from a sustainable focus, innovative solutions to meet global water quality requirements, in any part of the world. With a focus on innovation, more than 3000 qualified professionals, among whom more than 100 are dedicated to R&D+i, act in more than 190 countries.

Society

Multiple Sclerosis Foundation (Fundación Esclerosis Múltiple, FEM)

Fluidra maintains active collaboration in the annual awareness event “Mójate/ Mulla’t por la Esclerosis Múltiple”, held in 800 swimming pools throughout Spain. Its objective is to demonstrate social commitment with the 40,000 people who, at this time, suffer from this disease in Spain.



Artur Mas, President of the Regional Government and David González, Director of Corporate Marketing

Josep Carreras Leukaemia Foundation

Fluidra has become one of the corporate partners of the foundation set up by the tenor Josep Carreras. The funds raised by this foundation are used to give research grants in the field of leukaemia, manage the donor registry, provide social services and support hospitals.

Business and Climate Foundation

Fluidra, a key player in sustainable development for our society, works with this foundation that offers businesses the tools necessary to meet commitments and overcome challenges related to climate change. It also draws up the guidelines necessary to improve efficiency in the reduction of emissions.

International Business School (ESCI)

Fluidra also works with this school, which is part of the Pompeu Fabra University, with the aim of boosting the training of new professionals in the fields of international trade and management.

ESADE

Through a collaboration with ESADE, the company is involved with institutions that foster educational and training activities for young people and adults.



Liceu Opera Theatre



Other actions

Multiple actions and donations must be mentioned that have been made by Fluidra companies to social entities in the environment and the communities in which the Group operates: local hospitals for treating illnesses such as cancer, associations for psychiatric disability insertion, among other projects.

Left: The Palau de la Música Catalana.

Right: Fluidra contributes funds for the restoration of wall paintings on the Sant Vicenç Church in Estamariu

Culture

Liceu Opera Theatre

For many years, the Group has collaborated as a protection entity with the Liceu Opera Theatre, one of the main symbols of Barcelona's cultural and artistic life.

The Palau de la Música Catalana

As a Supporting Member of the Fundació Orfeó Català-Palau de la Música Catalana, Fluidra helps to spread a love for music.

Sant Vicenç d'Estamariu Church

Fluidra contributes funds for the restoration of wall paintings found under the paint coating on the walls of the inside of the Sant Vicenç Church in Estamariu, a Roman construction from the beginning of the 11th century.

Local collaborations

Fluidra also makes donations to local associations that promote major festivals, sports entities and cultural associations in the towns where its work centres are located, and the surrounding areas. [4.13]

- ACEMA Environmental Engineering and Consultancy Association of Catalonia
- AEDYR Spanish Association for Water Desalination and Reuse
- AFESE Spanish Association of Salt Electrolysis Manufacturers
- AFRE Spanish Association of Irrigation Manufacturers
- Aqua España Spanish Association of Water Treatment and Control Companies
- ASOFAP Association of Manufacturers of Pool Equipment, Chemical Products and Pool Constructors
- ATECYP Association of Heating and Cooling Systems Engineers
- ATEP Spanish Association of Pool and Sports Facilities Industrial Engineers
- Barcelona Chamber of Commerce
- CEAM Metal Engineering Study and Advice Centre
- CEP Spanish Plastics Centre
- CWP Catalan Water Partnership
- ECOEMBES Eco-Packaging, Spain
- EUSA European Union of Swimming Pool Associations
- FAPS Federation of Manufacturers of Equipment and Constructors of Pools, Saunas and Hot Tubs
- Fluidex Spanish Association of Exporters of Fluid Handling Equipment
- Foment del Treball
- FPP French Federation of Pool Professionals
- Company and Cima Foundation
- Swimming Pool and Spa Association NSW Pty Ltd
- SPATA The Swimming Pool and Allied Trades Association

A high-speed photograph of water splashing, creating a dynamic and textured background. The water is captured in mid-air, with numerous droplets and ripples visible. The overall color palette is monochromatic, ranging from dark greys to bright whites.

2012 INTEGRATED REPORT
APPENDICES

1. Report parameters and valuation

One of the key issues Fluidra must address is the gradual inclusion of all companies that belong to the Group in the report. As part of this process, the manufacturer of high quality glass mosaic tiles, Togama, was included in it in 2012, as a result of which the report covered 95% of staff in Spain. This figure represents 46% of Fluidra's global workforce. The company is now working towards extending the report to its international operations in the near future.

With regard to last year's report, it should be highlighted that in 2012 the company Sacopa was taken over by Maberplast. As the figures reported contain aggregate data, they are fully comparable. It should also be pointed out that Astral Export changed its name to Fluidra Export last year. [3.2, 3.10]

[3.6]

Commercial Division	Industry Division	Services
Fluidra Commercial (1)	Fluidra Industry (1)	Trace Logistics (3)
Fluidra España (23)	Sacopa (6)	Accent Graphic (1)
Certikin INT (United Kingdom) (2)	Prelast (1)	Fluidra S.A. (4)
Certikin Ibérica (3)	Poltank (4)	Fluidra Services España (2)
Fluidra Export (1)	Cepex (2)	
Pool Supplier (1)	Talleres del Agua (1)	
Astramatic (1)	Idegis (1)	
ATH (1)	IML (1)	
	GRE (1)	
	Inquide (2)	
	Metalast (5)	
	Togama (1)	
	Unistral Recambios (1)	

The divisions are classified according to the business conducted by the companies that belong to them. In the case of the Commercial Division, sales and distribution activities are also included. The figures in brackets show the number of worksites each company has.

A comparison of previous figures shows that the new addition to the Group has had an extremely limited and almost insignificant impact. Therefore, the figures in this report are directly comparable with those for 2011. However, as highlighted in the report it must be taken into account that as one of the biggest worksites closed for six months due to market demand, the figures on environmental performance vary significantly.

The report does not cover joint ventures, subsidiaries, leased facilities, subcontracted activities and other entities that could affect the comparative data in it. [3.8]

For the next report in 2013, the inclusion of companies from other countries such as France, the United States and Australia is under review, as it is considered that they are the most significant from the point of view of business strategy and value. They have not been included in this report as we are in the process of adapting and standardising our information systems. The time frame for covering the whole of the Group has been set for 2020 at the very latest. [3.6, 3.7]

Methodology

This document follows the same lines and format as the 2011 report, namely, a single document containing the annual accounts and the directors' report, in order to facilitate its comprehension by our stakeholders.

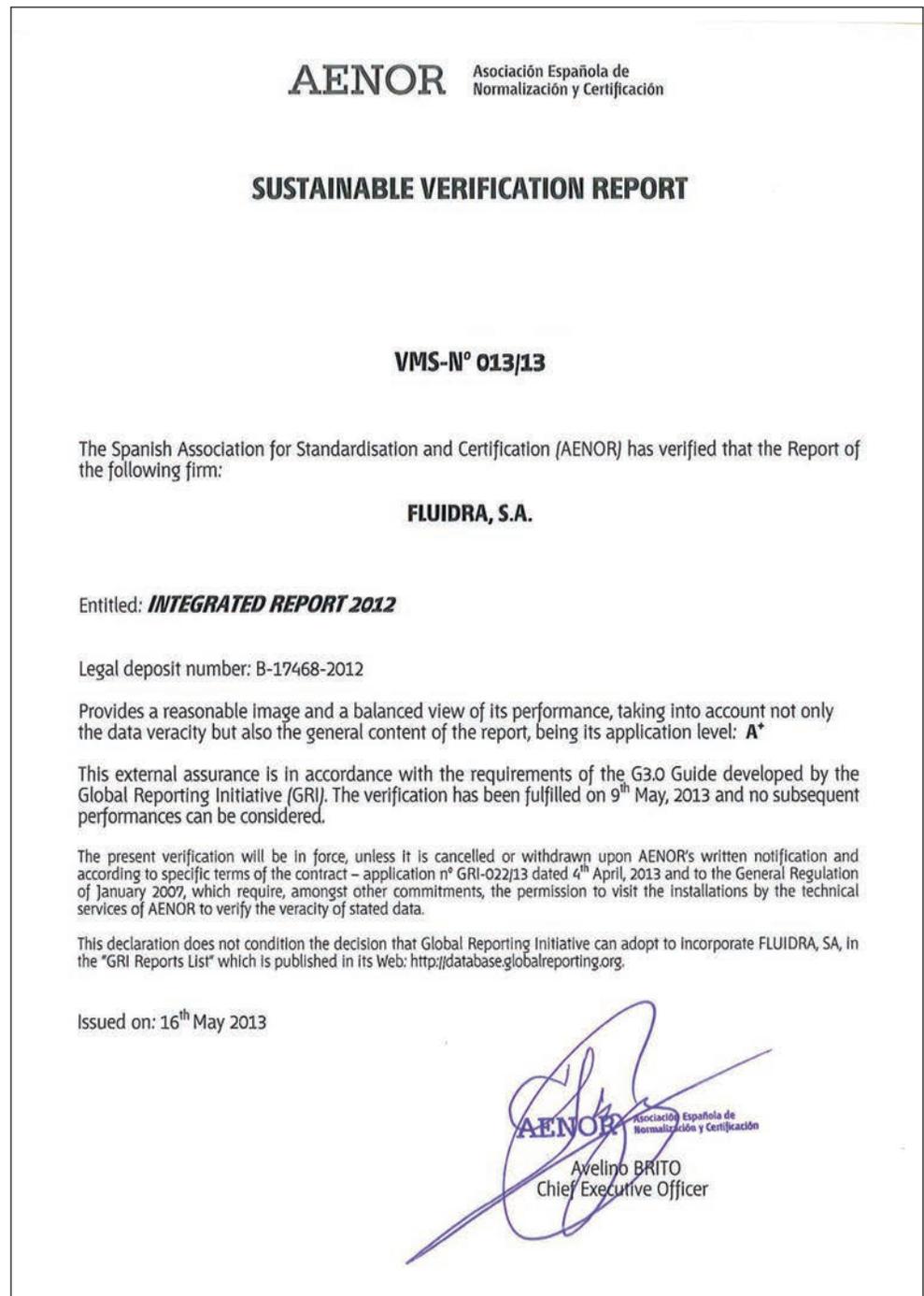
The fact that consolidated financial figures are used and that the report contains the annual accounts means that some of the information presented, such as financial figures and the management policies of each area, refers to the Group as a whole.

The report, which is published annually by the company, is based on version 3.0 of the international GRI reporting guidelines. Its contents therefore take into account the principle of materiality based on production processes and their social and environmental impact. Thus, factors are identified following their analysis and the impact they have, the Group's relationship with its stakeholders, which is defined in the Fluidra Mission Statement, and the analysis of opportunities and risks, which the CSR Committee identifies and reviews annually. Our latest report on the 2012 business year is posted with all other reports on our corporate website at www.fluidra.com. [3.3, 3.5]

Fluidra has specific information systems for collecting the data that appear in this document. Each company has a coordinator who is responsible for transferring this information to the company's data collection and processing centre. As an exemplary measure, the practice established several years ago of holding an introductory meeting with the coordinators from each company on how the report was to be drawn up was kept up in 2012. On this occasion, the meeting was conducted as a videoconference in order to save time and resources. [3.1, 3.9, 3.11]

2. External audit (AENOR y GRI) [3.13]

Fluidra, as recommended by the Global Reporting Initiative, requested the verification of its Sustainability Report by AENOR, an independent external entity, and obtained a rating of A+.





Statement GRI Application Level Check

GRI hereby states that **Fluidra** has presented its report "Integrated Report 2012" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 16 May 2013

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because Fluidra has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 5 May 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

TABLE OF PERFORMANCE INDICATORS

People						
	GRI	Unit	2010	2011	2012	Var. 11-12
Staff (31.12.2012)	LA1	No. of employees	1,692	1,678	1,662	-0.95%
Open-ended contracts	LA1		1,587	1,587	1,591	0.25%
Temporary contracts	LA1		105	91	71	-21.98%
Full-time staff	LA1		1,606	1,592	1,583	-0.57%
Part-time staff	LA1		87	86	79	-8.14%
Average seniority	LA2	Years	7.95	9.42	9.55	1.36%
Rate of turnover	LA2	Removals of staff on open-ended contracts without depreciation x 100 over average staff	3.16%	3.55%	4.83%	1.28
Average age	LA2		40.09	39.69	42.14	6.17%
Representatives on health and safety committees	LA6	%	80%	78%	61%	-16.63
Health and safety committees	LA6	No.	10	11	10	-1
Number of occupational hazard prevention officers	LA6		56	54	54	-
External training in occupational hazard prevention	LA8	No. people	297	390	135	-255
Participation in emergency drills	LA6		128	136	365	229
Training in first aid	LA8		28	93	107	14
Internal training in occupational hazard prevention	LA8		486	523	532	9
Internal awareness-raising programmes	LA8		-	47	262	215
Rate of absenteeism	LA7	Hours of absenteeism x 100 over total planned hours	3.85%	3.70%	3.21%	-0.49
Hours of absenteeism	LA7	No. hours	113,520.34	111,601.90	96,984.32	-13.10%
Planned working hours	LA7		3,000,993	3,071,438	3,021,019	-1.64%
Accidents with medical leave	LA7	No.	76	80	59	-21
Accidents without medical leave	LA7		111	108	110	2
Work-related medical leave	LA7		3	4	2	-2
Fatalities	LA7		-	-	-	-
Accident rate (with medical leave)	LA7	No. accidents per 1,000 employees	45.25	46.58	34.33	-12.25
Accident rate (with and without medical leave)	LA7	No. accidents per 1,000 employees	111.34	109.46	98.33	-11.13
Accident frequency (with medical leave)	LA7	No. accidents due to occupational contingencies per 1,000,000 working hours	25.81	26.57	19.53	-7.04

People						
	GRI	Unit	2010	2011	2012	Var. 11-12
Accident frequency (with and without medical leave)	LA7	No. accidents due to occupational contingencies per 1,000,000 working hours	63.46	62.47	55.94	-6.53
Severity rate	LA7	No. of working days lost due to accidents with or without medical leave per 1000 working hours	0.06	0.06	0.06	-0.00
% women	LA13	%	30.03%	34.49%	33.33%	-3.35%
% women on the Board of Directors	LA13		-	-	-	-
% employees over 45	LA13		27.16%	30.43%	29.90%	-0.53
% members over 45 on the Board of Directors	LA13		60%	60%	60%	0.00
% foreign staff	LA1		6.44%	6.35%	5.96%	-0.39
Self-employed staff	LA1		---	3	6	3
% foreigners on the Board of Directors	LA13		20%	20%	20%	-
% women in management positions	LA13		18.18%	15.63%	7.22%	-8,41
Staff by functional areas		No. of employees				
General Management/Management	LA13		33	32	34	2
Production/Logistics	LA13		1,129	1,087	1,050	-37
Sales/Marketing	LA13		268	273	257	-16
Administration/Finance	LA13		112	109	125	16
Other (HR, IT, etc.)	LA13		150	177	196	19
Staff by professional category		No. of employees				
Senior management	LA13		36	41	37	-4
Middle management	LA13		232	205	224	19
Technicians	LA13		240	317	310	-7
Administrative staff	LA13		298	225	259	34
Skilled workers	LA13		886	890	832	-58
Staff by age range		No. of employees				
Under 30	LA13		251	198	177	-21
Between 30 and 45	LA13		937	956	988	32
Between 46 and 55	LA13		364	383	370	-13
Over 55	LA13		140	141	127	-14
Staff recruited	LA2		224	275	263	-12
Staff removed	LA2		207	234	325	91
Staff representatives	LA4	Nº	58	61	55	-6

People						
	GRI	Unit	2010	2011	2012	Var. 11-12
Works committees	LA4	No. companies	11	11	9	-2
Employees covered by collective bargaining agreements	LA4	%	---	94%	93%	-0.48
OSHAS certifications			1	2	1	-1
Performance assessments	LA12	No. of employees	436	455	507	52
Hours of training by professional		No. hours				
Senior management	LA10, LA11		973	3,530	72	-97.96%
Middle management	LA10, LA11		4,061	6,471	5,677	-12.27%
Technicians	LA10, LA11		9,233	19,097	7,889	-58.69%
Administrative staff	LA10, LA11		2,023	3,901	4,261	9.23%
Skilled workers	LA10, LA11		2,598	1,871	5,568	197.61%
Hours of training by functional area		No. hours				
Senior management	LA10, LA11		736	4,311	1,070	-75.18%
Administration/Finance	LA10, LA11		710	1,899	884	-53.45%
Commercial	LA10, LA11		2,804	9,285	2,854	-69.26%
Languages	LA10, LA11		7,773	13,513	8,285	-38.69%
Human Resources	LA10, LA11		746	803	1,879	134.00%
Production/Maintenance	LA10, LA11		2,981	1,328	4,508	239.46%
Logistics/Purchases	LA10, LA11		450	765	535	-30.07%
Technical/R&D/Quality	LA10, LA11		2,689	2,966	3,453	16.41%
Average hours of training per employee and professional category		No.				
Senior management	LA10, LA11		27	86	7	-91.63%
Middle management	LA10, LA11		17	31	23	-26.75%

People						
	GRI	Unit	2010	2011	2012	Var. 11-12
Technicians	LA10, LA11		38	60	24	-60.28%
Administrative staff	LA10, LA11		7	17	30	79.03%
Skilled workers	LA10, LA11		3	2	19	853.48%
Investment in training	LA10, LA11	€	234,005 €	699,306 €	197,327 €	-71.78%

Environment						
	GRI	Unit	2010	2011	2012	Var. 11-12
Plastic materials used		T				
Polyvinyl chloride	EN1		7,247.6	7,008.6	6,249.7	-10.8%
Polypropylene	EN1		4,052.6	2,875.4	2,903.7	1.0%
Acrylonitrile butadiene styrene	EN1		1,539.6	1,389.1	1,337.4	-3.7%
Polyester resin	EN1		1,097.8	1,210.4	1,258.8	4.0%
High density polyethylene (HDPE)	EN1		4,268.7	883.1	636.7	-27.9%
Other plastic products (<0.5 T)	EN1		1,563.0	1,333.0	1,329.1	-0.3%
Metals used		T				
Stainless steel	EN1		4,974.9	3,887.5	4,161.7	7.1%
Iron	EN1		211.2	350.6	347.7	-0.8%
Cables	EN1		188.2	177.8	151.3	-14.9%
Aluminium	EN1		29.7	41.8	35.2	-15.8%
Copper	EN1		19.3	16.9	15.7	-7.1%
Titanium	EN1		9.2	9.9	9.9	0.0%
Chemical products used		T				
Chlorine	EN1		7,597.0	7,599.1	3,627.5	-52.3%
Trichloroisocyanuric acid	EN1		6,932.0	2,449.0	6,259.0	155.6%
Cyanuric acid	EN1		3,612.0	3,500.0	2,020.0	-42.3%
Thiosulphate	EN1		1,953.9	2,133.0	975.2	-54.3%
Sodium hydroxide	EN1		11,355.4	11,448.5	5,519.5	-51.8%
Sodium bisulphate	EN1		1,170.7	1,152.9	1,071.5	-7.1%
Sulphuric acid	EN1		1,270.4	1,209.3	1,928.5	59.5%
Sodium dichloroisocyanurate	EN1		1,677.0	2,046.3	1,031.5	-49.6%
Sodium hypochlorite	EN1		0.0	127.5	1,256.0	885.1%
Other chemical products (< 1T)	EN1		4,144.2	4,494.5	3,777.1	-16%

Environment						
	GRI	Unit	2010	2011	2012	Var. 11-12
Other		T				
Fibreglass	EN1		1,097.3	826.3	859.4	4.0%
Environmental certifications						
EMAS	EN26	Nº empresas	2.0	2.0	2.0	0.0%
ISO 14001	EN26	Nº empresas	6.0	8.0	8.0	0.0%
Natural gas consumption	EN3	m3	135,284.0	141,851.0	110,120.0	-22.4%
Fuel oil consumption	EN3	litros	506,343.3	456,859.7	465,429.5	1.9%
Electricity consumption	EN4	Kwh	31,788,555.6	31,318,390.5	28,111,262.5	-10.2
Co-generation	EN4	Kwh	4,816,440.0	4,738,115.0	2,973,526.0	-37.2%
Water consumption	EN8	m3	78,526.5	85,820.3	77,243.2	-10.0%
Public/private networks	EN8		34,746.7	34,728.4	31,498.0	-9.3%
Underground	EN8		4,944.0	3,762.0	5,209.0	38.5%
Surface	EN8		60,855.0	66,267.0	46,256.0	-30.2%
Reused/recycled water	EN10		22,019.2	18,937.1	5,719.8	-69.8%
Emissions		Tn				
NOx	EN19, EN20		0.3	3.4	1.7	-49.7%
SOx	EN19, EN20		1.1	2.3	1.8	-23.1%
CO	EN19, EN20		1.0	1.0	0.5	-49.5%
Particles	EN19, EN20		2.4	3.5	2.3	-35.3%
COV's	EN19, EN20		41.0	45.1	46.0	2.1%
Other (chlorine and HCFC/HCl particles)	EN19, EN20		6.6	2.3	3.5	54.4%
Untreated wastewater		m3				
Pub./priv. networks	EN21		33,530.0	31,076.0	27,969.9	-10.0%
Sanitary	EN21		22,323.4	21,850.4	20,437.1	-6.5%
Used in manufacturing	EN21		3,803.0	2,693.0	2,359.0	-12.4%
Process	EN21		7,398.6	6,527.6	5,168.8	-20.8%
Cooling	EN21		-	-	-	---
Leaks	EN21		5.0	5.0	5.0	0.0%
Waste						
Onsite water treatment plant						
Sanitary	EN21	m3	2,500.0	2,350.0	1,270.0	-46.0%
Used in manufacturing	EN21		0.0	0.0	0.0	---

Environment						
	GRI	Unit	2010	2011	2012	Var. 11-12
Process	EN21		57,437.6	62,545.6	43,658.4	-30.2%
Cooling	EN21		0.0	0.0	0.0	---
Leaks	EN21		0.0	0.0	0.2	---
Non-hazardous waste	EN22	Tn	34,190.5	34,934.7	14,652.3	-58.1%
Internal/onsite management	EN22		31,284.2	31,896.5	12,025.0	-62.3%
Recovery of onsite waste, use of onsite waste	EN22		31,270.6	31,896.5	12,025.0	-62.3%
Treatment, disposal and/or energy recovery of onsite waste	EN22		13.6	-	-	---
Offsite management	EN22		2,906.3	3,038.2	2,627.3	-13.5%
Recovery by waste management plants	EN22		1,630.2	1,653.4	1,528.8	-7.5%
Used as a by-product	EN22		321.4	352.7	279.5	-20.8%
Waste treatment or disposal	EN22		954.7	1,032.2	819.0	-20.6%
Hazardous waste	EN24	Tn	12,564.4	12,084.5	8,357.7	-30.8%
Internal/onsite management	EN24		6,386.1	6,725.2	5,276.1	-21.5%
Recovery of onsite waste, use of onsite waste	EN24		267.5	169.2	135.4	-20.0%
Treatment, disposal and/or energy recovery of onsite waste	EN24		6,118.6	6,556.0	5,140.7	-21.6%
Offsite management	EN24		6,178.3	5,359.2	3,081.6	-42.5%
Recovery by waste management plants	EN24		105.9	119.6	120.4	0.6%
Used as a by-product	EN24		5,805.8	5,021.3	2,792.8	-44.4%
Waste treatment or disposal	EN24		266.6	218.4	168.4	-22.9%
Packaging	EN26	Tn	5,986.2	6,647.3	5,116.0	-23.0%
Non-reusable	EN26		5,411.9	5,244.9	4,292.1	-18.2%
Paper and cardboard	EN26		1,483.6	2,258.6	1,656.3	-26.7%
Plastic	EN26		1,530.8	1,712.8	1,263.8	-26.2%
Glass	EN26		-	-	-	---
Metal	EN26		6.8	6.9	6.5	-5.8%
Wood	EN26		2,384.2	1,261.0	1,359.1	7.8%
Other	EN26		6.4	5.5	6.4	16.4%
Reusable	EN26		574.3	1,402.4	823.9	-41.3%
Paper and cardboard	EN26		17.8	6.3	6.3	0.0%

Environment						
	GRI	Unidad	2010	2011	2012	Var. 11-12
Plastic	EN26		0.0	1.1	1.9	76.4%
Glass	EN26		-	-	-	---
Metal	EN26		-	-	-	---
Wood	EN26		556.5	1,395.0	815.6	-41.5%
Other	EN26		-	-	0.0	---
Products sold	EN27	Tn	58,371.5	53,603.0	53,893.7	0.5%
Mileage	EN29	km	35,193,345.0	39,885,089.2	45,075,953.9	13.0%
Merchandise	EN29		28,938,564.0	33,102,954.2	39,063,794.0	18.0%
People	EN29		6,254,781.0	6,782,135.0	6,012,160.0	-11.4%
Total CO2 emissions (gas, fuel oil, heating, shipping, electricity, co-generation) (*)	EN16, EN17	Tn	35,094.4	37,417.6	39,783.2	6.3%
Cost of fines and penalties	EN28	€	2,252.0	10,785.6	600.0	-94.4%
Environmental protection expenditures and investments	EN30	€	1,109,287.0	583,827.1	932,123.6	59.7%

GRI TABLE [3.12]

1	STRATEGY AND ANALYSIS	Page	Comments
1.1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy.	4, 5	
1.2	Description of key impacts, risks, and opportunities.	8, 14, 18, 33, 48	
2	ORGANISATIONAL PROFILE	Page	Comments
2.1	Nombre de la organización.	45,112	
2.2	Primary brands, products, and/or services.	13	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures (JVs).	12	
2.4	Location of the organisation's headquarters.	112	
2.5	Number of countries in which the organisation operates, and names of the countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	11, 12	
2.6	Nature of ownership and legal status.	45	
2.7	Markets served (including geographical breakdown, sectors served, and types of customers/beneficiaries).	11	
2.8	Scale of the reporting organisation, including: <ul style="list-style-type: none"> • Number of employees. • Net Sales (for private sector organisations) or net revenues (for public sector organisations). • Total capitalisation broken down in terms of debt and equity (for private sector organisations). • Quantity of products or services provided. 	9,18,50	
2.9	Significant changes during the reporting period regarding size, structure, or ownership, including: <ul style="list-style-type: none"> • The location of, or changes in operations, including facility openings, closings, and expansions. • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organisations). 	14,28	
2.10	Awards received in the reporting period.	15,16	
3	REPORT PROFILE	Page	Comments
3.1	Reporting period (e.g. fiscal/calendar year) for the information provided.	91	
3.2	Date of most recent previous report (if any).	90	
3.3	Reporting cycle (annual, biannual, etc.).	91	
3.4	Contact point for questions regarding the report or its contents.	112	

3.5	Process for defining report content, including: • Determining materiality. • Prioritising topics within the report. • Identifying the stakeholders the organisation expects will use the report.	40,91	
3.6	Scope of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	90,91	
3.7	State any specific limitations on the scope or boundary of the report.	91	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or organisations.	91	
3.9	Data measurement techniques and the bases of calculations,	91	
3.10	including assumptions and techniques underlying estimations applied	90	
3.11	in the compilation of Indicators and other information in the report.	91	
3.12	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	103	
3.13	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report.	92	
4	GOVERNANCE, COMMITMENT AND STAKEHOLDER PARTICIPATION	Page	Comments
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	42,44	
4.2	Indicate whether the chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement).	45,49	
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	45,60	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	42, 57, 58, 68	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	47,69	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	47,81	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental and social topics.		Carried out by the Appointments and Remuneration Committee.
4.8	Internally developed statements of mission or values, codes of conduct and principles relevant to economic, environmental and social performance, and the status of their implementation.	32	

4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence to or compliance with internationally agreed standards, codes of conduct and principles.	48
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance.	47
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	48
4.12	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	35
4.13	Memberships in associations (such as industry associations) and/or national/international organisations in which the company: <ul style="list-style-type: none">• Has positions in governance bodies• Participates in projects or committees• Provides substantive funding beyond routine membership dues.• Views membership as strategic.	87
4.14	List of stakeholder groups engaged by the organisation	32
4.15	Basis for identification and selection of stakeholders with whom to engage	32
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	32,41
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	35,40

ECONOMIC PERFORMANCE INDICATORS		Page	Comments
EC.a	Management approach.	20	
EC.b	Goals and performance.	20	
EC.c	Policy.	20	
EC.d	Additional information.	20	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	24,27	
EC2	Financial consequences and other risks and opportunities for the organisation due to climate change.	33	
EC3	Coverage of the organisation's obligations in terms of social benefit programmes.		As yet, we have been unable to calculate the coverage of obligations in terms of social benefit programmes due to the variety of systems used by the companies in the Group.
EC4	Significant financial aid received from governments.	26	
EC5	Range of relations between initial standard wage and local minimum wage in areas with significant operations.	50	
EC6	Policy, practice and proportion of costs corresponding to local suppliers in areas with significant operations.	68	
EC7	Procedures for local recruitment and proportion of senior management from the local community in areas with significant operations.	49	
EC8	Development and impact of investment in infrastructures and services offered mainly for the benefit of the public through commercial commitments, pro bono or in kind.	24,58	
EC9	Understanding and description of significant indirect economic impact, including the extent of said impact.	14	There is no system in place for measuring indirect economic impact.
ENVIRONMENTAL PERFORMANCE INDICATORS		Page	Comments
EN.a	Management approach.	69	
EN.b	Goals and performance.	71	
EN.c	Policy.	70	
EN.d	Organisational responsibility.	69	
EN.e	Training and awareness-raising.	79	
EN.f	Evaluation and follow-up.	70	
EN.g	Additional contextual information.	80	
EN1	Material used by weight or volume.	74,76,94	
EN2	Percentage of materials used that are recycled input materials.	76	
EN3	Direct consumption of energy broken down by primary sources.	71,94	Figures for fuel oil consumption by Certikin International based on the estimated consumption over the past 5 months.
EN4	Indirect consumption of energy broken down by primary sources.	71,94	
EN5	Energy savings due to storage and efficiency improvements.	71,94	

EN6	Initiatives for providing energy-efficient products and services or based on renewable energy and reductions in consumption of energy as a result of these initiatives.	61,71,94	
EN7	Initiatives to reduce indirect consumption of energy and reductions achieved with said energy.	71,94	
EN8	Total water collection by sources.	75,94	
EN9	Water sources significantly affected by water collection.	75,94	
EN10	Percentage and total volume of recycled and reused water.	75,94	
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. State the location and size of land owned, leased or managed with a high biodiversity value in zones separated from protected areas.	77,94	
EN12	Description of most significant impacts on biodiversity in protected natural areas or areas of high unprotected biodiversity derived from the activities, products and services in protected natural areas or areas away from protected areas.	77,94	
EN13	Protected or restored habitats.	77,94	
EN14	Strategies and actions taken and planned for the management of impacts on biodiversity.	77,94	
EN15	Number of IUCN Red List species and national conservation list species with habitats in IUCN areas affected by operations, by level of extinction risk.	77,94	
EN16	Total direct and indirect emissions of greenhouse effect gases by weight.	71,73,94	
EN17	Other indirect greenhouse effect gases by weight.	73,94	
EN18	Initiatives for the reduction of greenhouse effect gas emissions and reductions achieved.	73,68,94	
EN19	Emissions of substances harmful to the ozone layer by weight.	72,94	
EN20	NO _x , SO _x and other significant emissions into the atmosphere by type and weight.	72,94	<p>Figures in T.</p> <p>Periodic, annual or quarterly measurements are taken depending on the substance. A number of measurement methods are used, as is the case of mass balance for VOCs. NO_x: nitrogen oxide; SO_x: sulphur oxide; VOCs: volatile organic compounds. Particles: HCFC, HCl, etc.; Other: basically chlorine.</p>
EN21	Total spillage of waste water according to its nature and destination.	78,94	
EN22	Total weight of waste products management according to type and treatment method.	79,94	
EN23	Total number and volume of significant accidental spillages.	78,94	

EN24	Weight of waste products transported, imported, exported or treated which are considered dangerous according to the Basel Convention, Appendices I, II, III, VIII and percentage of waste transported internationally.	79,94	
EN25	Identification, size and state of protection and biodiversity value of water resources and related habitats significantly affected by water spillage or run-off from the reporting organisation.	78,94	
EN26	Initiative to reduce the environmental impact of products and services and degree of reduction of this impact.	61, 73, 80, 94	
EN27	Percentage of products sold and packaging materials recovered at the end of their useful life by product category.	74,94	
EN28	Cost of significant fines and number of non-monetary sanctions as a result of a failure to comply with environmental regulations.	94	No significant fines or sanctions were imposed for failure to comply with environmental regulations.
EN29	Significant environmental impact of the transport of products and other goods and materials used for the activities of the organisation, such as transport of personnel.	72,94	
EN30	Breakdown by type of total environmental costs and investments.	25,69,94	
3	SOCIAL PERFORMANCE INDICATORS	Page	Comments
	SOCIAL PERFORMANCE INDICATORS		
LA.a	Management approach.	49	
LA.b	Goals and performance.	49	
LA.c	Policy.	49	
LA.d	Organisational responsibility.	49	
LA.e	Training and awareness-raising.	52	
LA.f	Evaluation and follow-up.	57	
LA1	Breakdown of the workforce by type of employment, by contract and by region.	51,94	
LA2	Total number of employees and average turnover of employees broken down into groups of age, sex and region.	49,51,94	Employee figures are not broken down into groups as there are no significant differences in age, sex or region.
LA3	Social benefits for full-time employees not offered to temporary or part-time employees broken down by principal activity.	50,57	
LA4	Percentage of employees covered by collective bargaining agreements.	51,94	
LA5	Minimum period(s) of notice relative to organisational changes including whether these notices are specified in collective bargaining agreements.	51	The minimum periods of notice are established in collective bargaining agreements, failing which the provisions in the articles of association apply.
LA6	Total percentage of workers represented on management-employee health and safety committees, set up to help to control and advise on health and safety at work programmes.	94	

LA7	Absenteeism rates, professional illness, days lost and number of work-related fatalities by region.	94	
LA8	Education, training, advice, risk prevention and control programmes applied to workers, their families or members of the community in relation to serious illness.	56,94	
LA9	Health and safety matters covered by formal agreements with trade unions.	Nota	There are no formal agreements with unions that regulate such matters other than those already provided for by current laws on health and safety.
LA10	Average hours of training per year per employee broken down by employee category.	53,94	
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	52,94	
LA12	Percentage of employees receiving regular professional performance and development assessments.	52,94	
LA13	Composition of corporate and staff governing bodies broken down by sex, age group, minority groups and other diversity indicators.	94	
LA14	Basic wages between men and women according to professional category.	57	
HUMAN RIGHTS			
HR.a	Management approach.	34,57	
HR.b	Goals and performance.	34	
HR.c	Policy.	34	
HR.d	Organisational responsibility.	36	
HR.e	Training and awareness-raising.	34	
HR.f	Evaluation and follow-up.	35	
HR.g	Additional contextual information.	35	
HR1	Percentage and total number of significant investment agreements which include human rights clauses or have been subject to analysis for human rights.	68	
HR2	Percentage of main distributors and contractors who have been subjected to human rights analysis and measures adopted as a consequence.	68	
HR3	Total employee training hours on policies and procedures related to human right aspects related to their activities, including percentages of employees trained.	34	
HR4	Total number of discrimination incidents and measures taken.	35,57	
HR5	Activities of the company in which the right to freedom of association and collective bargaining may be at risk and measures taken to support those rights.	52	

HR6	Activities identified which carry a potential risk of child exploitation and measures adopted for their elimination.	57	
HR7	Operations identified as having a significant risk of causing episodes of forced or compulsory labour and measures taken for their elimination.	Note	Does not apply as no risk of episodes of forced or compulsory labour have been reported, nor have matters related to corruption.
HR8	Percentage of security personnel trained in human rights policies and procedures relevant to their activity.	Note	There is only one member of security personnel under contract throughout the organisation (at the company Fluidra España). This person has been trained in occupational hazard prevention and has attended a course on the code of ethics. None of the other companies in the Group have security personnel under contract.
HR9	Total number of incidents related to breaches of native and measures taken.	Note	Does not apply as no risk of incidents related to breaches of native rights have been reported.
SOCIETY			
S0.a	Management approach.	81	
S0.b	Goals and performance.	81	
S0.c	Policy.	81	
S0.d	Organisational responsibility.	81	
S0.e	Training and awareness-raising.	81	
S0.f	Evaluation and follow-up.	81	
S0.g	Additional contextual information.	81	
S01	Nature, extent and effectiveness of programmes and practices for the evaluation and management of the impact of operations on communities, including entry, operation and exit of the company.		Does not apply as no risk of incidents has been reported.
S02	Percentage and total number of business units analysed with respect to risk related to corruption.	68	
S03	Percentage of employees trained in the organisation's anti-corruption policies and procedures.	35	
S04	Measures taken in response to corruption incidents.	Note	Does not apply as no risk of incidents has been reported.
S05	Position on public policies and participation in their development and lobbying activities.	81	
S06	Total value of financial contributions and contributions in kind to political parties or related institutions by country.	81	
S07	Total number of actions for causes related to monopolistic practices and against free competition and their results.	Note	No behaviour has been reported that could be construed as a monopolistic practice or against free competition.
S08	Financial value of significant sanctions and fines and total number of non-monetary fines derived from failure to comply with laws and regulations.	Note	No significant fines or sanctions were imposed for failure to comply with laws and regulations.

PRODUCT RESPONSIBILITY		
PR.a	Management approach.	60
PR.b	Goals and performance.	61
PR.c	Policy.	61
PR.d	Organisational responsibility.	60
PR.e	Training and awareness-raising.	60,64
PR.f	Evaluation and follow-up.	60
PR.g	Additional contextual information.	60
PR1	Phase of the lifecycle of the products and services which are evaluated for improvement and their impact on customer health and safety and percentage of categories of significant products and services subject to such evaluation procedures.	61,66
PR2	Total number of incidents derived from failure to comply with legal regulations of voluntary codes related to the impact of products and services on health and safety during their lifecycle, distributed by type of result for such incidents.	No incidents have been reported.
PR3	Types of information about products and services required by current procedures and regulations, and percentage of products and services subject to such informative requirements.	There are no regulations that require such information.
PR4	Total number of failures to comply with regulations and voluntary codes related to information and labelling of products and services distributed by type of result for such incidents.	No such failure to comply with regulations has been reported.
PR5	Practices with respect to customer satisfaction, including results of customer satisfaction surveys.	66
PR6	Programmes for compliance with laws, standards or voluntary codes mentioned in marketing communications including publicity, other promotional activity and sponsorship.	62,64
PR7	Total number of incidents due to failure to comply with regulations related to marketing communications, including publicity, promotion and sponsorship distributed by type of result for such incidents. No such incidents related to marketing communications have been reported.	No such incidents related to marketing communications have been reported.
PR8	Total number of complaints related to respect of privacy and loss of customers' personal data.	No complaints about the Data Protection Act have been reported.
PR9	The cost of significant fines generated by the failure to comply with regulations related to the supply and use of the organisation's products and services.	No fines have been imposed for failure to comply with regulations on the supply of products and services.

3. Useful Addresses [2.1, 2.4]

Group addresses

General management of the Fluidra Group

Fluidra S. A.
Torre Millenium
Avda. Francesc Macià 60, planta 20
E-08208 Sabadell (Barcelona)
Tel. +34 93 724 39 00
Fax. + 34 93 724 29 92
Email info@fluidra.com

Director of Fluidra's Commercial Divisions

Fluidra S.A.
Avda. Francesc Macià, 38 plantas 15 y 16
E-08208 Sabadell (Barcelona)
Tel. +34 93 713 63 44
Fax. +34 93 713 63 45

Director of Fluidra's Industry Division

Fluidra S.A.
c/ dels Ametllers, 6
E-08213 Polinyà (Barcelona)
Tel. +34 93 713 37 18
Fax. + 34 93 713 33 84

Fluidra's logistics operator

Trace Logistics
P. I. Puig Tió, Calle B, Parcela 19
E-17412 Maçanet de la Selva (Girona)
Tel. + 34 972 87 93 00
Fax + 34 972 87 93 20

Shareholders' Office

Fluidra S.A.
Torre Millenium
Avda. Francesc Macià 60, planta 20
E-08208 Sabadell (Barcelona)
Tel. +34 93 724 39 00 / +34 902 026 039
Email: accionistas@fluidra.com

Analysts and Investors

Fluidra S.A.
Torre Millenium
Avda. Francesc Macià 60, planta 20
E-08208 Sabadell (Barcelona)
Tel. +34 93 724 39 00
e-mail: investor_relations@fluidra.com

Information about the Integrated Report: [3.4]

General Corporate Management

Torre Millenium
Avda. Francesc Macià 60, planta 20
E-08208 Sabadell (Barcelona)
Tel. +34 93 724 39 00 / +34 902 026 039

CSR Department

Torre Millenium
Avda. Francesc Macià 60, planta 20
E-08208 Sabadell (Barcelona)
Tel. +34 93 724 39 00 / +34 902 026 039
e-mail: rsc@fluidra.com

4. Survey

Fluidra believes that the opinions of its stakeholders are crucial to the Group making further progress in social responsibility. Therefore, our primary goal is to give them the information they require to cover their needs and expectations.

We would therefore be extremely grateful for your opinions about the 2012 Integrated Report by answering the questions in the survey that is available at the following link:

<http://bit.ly/FluidraSurvey2012>

MAKING
WATER
PERFORM



Avda. Francesc Macià, 60 - planta 20, 08208 Sabadell (Barcelona) Spain
Tel. + 3 4 93 724 39 00 - Fax + 34 93 724 29 92

www.fluidra.com

**POOL &
WELLNESS**

**WATER
TREATMENT**

**FLUID HANDLING
& IRRIGATION**

PROJECTS

INDUSTRY